

DISCLOSURE BROCHURE

THE INVESTMENT ADVISERS ACT OF 1940 RULE 203-1

Part 2A of Form ADV: Firm Brochure



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Cover Page **ITEM 1**

SEC File # 801-80652
Firm IARD/CRD #: 173937

ShariaPortfolio, Inc.
REGISTERED INVESTMENT ADVISOR

This Disclosure Brochure provides information about the qualifications and business practices of ShariaPortfolio, Inc., which should be considered before becoming a client. You are welcome to contact us if you have any questions about the contents of this brochure - our contact information is listed to the right. Additional information about ShariaPortfolio, Inc. is also available on the SEC's website at www.adviserinfo.sec.gov.

The information contained in this Disclosure Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any State Securities Administrator. Furthermore, the term "registered investment advisor" is not intended to imply that ShariaPortfolio, Inc. has attained a certain level of skill or training.

BROCHURED
DATED

September 29, 2020

MATERIAL CHANGES

ITEM 2

We update this document annually, or more frequently in the event of certain material changes. This section discusses only material changes to ShariaPortfolio's Form ADV Part 2A since the date of our last annual or other-than-annual update. We have made the following updates as of September 29, 2020:

- Item 18: Financial Information in connection with the receipt of a loan under the U.S. Payroll Protection Program.

The date of our annual Disclosure Brochure update was April 7, 2020. During that time, the only material updates were:

- Item 7 - Types of Clients - ShariaPortfolio began managing two ETFs. Please see this Item for additional information. In addition, we have expanded the disclosure in Item 5: Fees and Compensation and Item 10: Other Financial Industry Activities and Affiliations. In addition, Item 8 -Methods of Analysis, Investment Strategies and Risk of Loss has been updated to reflect addition risk disclosures.

This Brochure dated September 29, 2020, is prepared according to the SEC's requirements and rules. Other amendments may have been made to this Brochure, which may not have been discussed in this summary, and consequently, we encourage you to read this Brochure in its entirety. Currently, our Brochure may be requested by contacting ShariaPortfolio, Inc. at 321.275.5125 or emailing the compliance department at info@shariaportfolio.com.

Clients and prospective clients are strongly encouraged to review this Brochure very carefully. Pursuant to SEC Rules, ShariaPortfolio will ensure that clients receive a summary of any materials changes to this Brochure within 120 days of the close of our fiscal year, along with a copy of this Brochure or an offer to provide the Brochure.

Additionally, as ShariaPortfolio experiences material changes in the future, we will send you a summary of our "Material Changes" under separate cover. For more information about the firm, please visit www.shariaportfolio.com. Additional information about the firm and our investment adviser representatives is available on the SEC's website at www.adviserinfo.sec.gov.

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ADVISORY BUSINESS

Who We Are

ShariaPortfolio, Inc., (hereinafter referred to as “ShariaPortfolio”, “the Company”, “we”, “us” and “our”) is a fee-only registered investment advisor¹ incorporated October 2014 as a Florida corporation. ShariaPortfolio is a boutique asset management firm focusing on Sharia-compliant investing to assist you, our client², achieve your financial goals.

Owners

The following persons are the principal owners of the Company:

Name	Title	CRD#
Naushad Virji	Chief Executive Officer	5027106
Wasia Sheikh	Shareholder	6422969

Please refer to Form ADV Part 1 for information on the percentage of ownership

Assets Under Management

As of December 31, 2019, our assets under management totaled \$100,630,129:

- Client Discretionary Managed Accounts\$ 96,367,180
- Client Non-Discretionary Managed Accounts..... \$ 4,262,948

Our Mission

ShariaPortfolio offers professionally managed portfolio solutions for Muslims, to help achieve their financial goals while conforming to their personal values.

What We Do

We manage wealth. Our advisory services begin with stressing the importance of you making fiscally responsible decisions and disciplined economic choices in your personal life so we can effectively help you achieve your monetary goals for **today’s needs, tomorrow’s dreams**, and a strategy to build a **lasting legacy** for future generations.

Portfolio Management

Access Program

Focus of our management begins with identifying your standards of living and quality of life expectations for us to gain deeper insight into your investment mentality, objectives, and desires. We will conduct a pre-advisory consultation, which includes gathering

¹ The term “registered investment advisor” is not intended to imply that ShariaPortfolio, Inc. has attained a certain level of skill or training. It is used strictly to reference the fact that we are “Registered” as an “Investment Advisor” with the United States Securities & Exchange Commission (“SEC”) - and “Notice Filed” with State Regulatory Agencies that have limited regulatory jurisdiction over our business practices.

² A client could be an individual and their family members, a family office, a foundation or endowment, a corporation and/or small business, a trust, a guardianship, an estate, another fiduciary or any other type of entity to which we choose to give investment advice.

information in a profile questionnaire³ and/or management software, to assess your risk tolerance, current income and expenses, career objectives, personal goals, investment time horizon, targeted rate of return, and prior investment experience. Our pre-advisory consultation is designed to:

- ❖ Define and narrow objectives and investment options;
- ❖ Identify areas of greatest distress;
- ❖ Develop a strategy for addressing future concerns;
- ❖ Cultivate peace of mind; and,
- ❖ Create a unique picture of your financial condition.

Once your investment parameters have been identified, we will prepare a recommended allocation plan using one, or a combination of, our model portfolios with the appropriate investment strategy in an effort to achieve the most optimal return on your investment capital⁴. The securities we use in our model portfolios will be a mix of equity (“stock”) positions, Investment Company (“mutual funds”) products, and Exchange-Traded Funds (“ETFs”) based on your unique investment expectations and risk tolerance levels.

For certain qualifying clients, ShariaPortfolio will recommend that a portion of such client’s assets be invested in one or more private investment funds. These usually include, private real estate funds, but can include other types of private funds (collectively “Private Funds”). When determining which clients should receive a recommendation to invest in a Private Fund, ShariaPortfolio considers a number of factors, including but not limited to a client’s sophistication and qualification, risk tolerance, and investment objectives. Our goal is to allocate these investment opportunities in a fair and balanced manner; however, given differing factors, the allocation of investment opportunities in Private Funds to clients is mainly subjective and not all qualifying clients will be provided an investment opportunity.

Clients that receive a recommendation to invest in Private Funds will be provided with a copy of each fund’s offering documents, which should be read in their entirety prior to investing in order to understand the investment objectives, fees, risks and conflicts pertaining to such investments.

Information regarding our management fee structure is disclosed under “Portfolio Management Fee” in Item 5, “**Fees & Compensation**” and further description of our investment strategies under Item 8, “**Methods of Analysis, Investment Strategies & Risk of Loss**”.

ShariaPortfolio also manages one private fund, SP Fund RE, LLC, a Florida limited liability company (the “Fund”), that qualifies for the exclusion from the definition of investment company under section 3(c)(1) of the Investment Company Act of 1940, which seeks to acquire, directly or indirectly, interests in mixed use commercial, industrial, multi-family, and residential real estate investments (the “Investments”) which are to be selected by the SP Funds Management, LLC, a Florida limited liability company (the “Manager”). In selecting the Investments, the Manager will focus on identifying value-add mixed use commercial, industrial, multi-family, and residential real estate projects, including Section 8 housing projects. The fund will only invest in un-leveraged real estate investments to conform with personal values of avoiding debt.

As of August 21, 2019, the Interests in the Fund are generally being offered to “Accredited Investors” as that term is defined by Rule 501 of Regulation D promulgated under the Securities Act. However, the Fund is permitted to admit no more than 35 non-accredited investors as Investors and, at the discretion of the Manager, the Fund will admit such investors provided they are able to make the minimum investment.

The Fund’s investment objective is to seek to generate long-term total returns with a focus on current income. At least seventy-five percent (75%) of Fund assets will be invested in commercial real estate, residential real estate, Section 8 housing projects and other private investment funds holding those types of assets. The Fund will only invest in un-leveraged real estate investments to conform with personal values of avoiding debt.

Additionally, up to twenty-five percent (25%) of the Fund assets will be invested in publicly traded securities or cash. The publicly traded securities selected will focus on income and stability investments, including, among other things, equity stocks and mutual funds that pay dividends, with an emphasis on stability and high yield.

Registered Investment Companies, including ETFs (SPSK, SPUS)

The SP Funds Dow Jones Global Sukuk ETF (the “Fund” or the “Sukuk ETF”) seeks to track the performance, before fees and expenses, of the Dow Jones Sukuk Total Return (ex-Reinvestment) Index (the “Index” or the “Sukuk Index”). Toroso Investments, LLC (the “Adviser”) serves as investment adviser to the Fund. CSat Investment Advisory, L.P. d/b/a Exponential ETFs (“Exponential”) and ShariaPortfolio, Inc. (“ShariaPortfolio”) (together, the “Sub-Advisers”) serve as investment sub-advisers to the Fund. Charles A. Ragauss, CFA, Managing Director at Exponential, has been a portfolio manager of the Fund since its inception in 2019. Naushad Virji, Chief Executive Officer at ShariaPortfolio, has been a portfolio manager of the Fund since its inception in 2019.

The Index was co-developed in 2019 by S&P Dow Jones Indices LLC (the “Index Provider”), a division of S&P Global, and ShariaPortfolio, and is owned and administered by the Index Provider.

The Fund attempts to invest all, or substantially all, of its assets in the component securities that make up the Index. Under normal circumstances, at least 80% of the Fund’s total assets will be invested in the component securities of the Index. The Fund’s investment adviser expects that, over time, the correlation between the Fund’s performance and that of the Index, before fees and expenses, will be 95% or better.

The Fund will generally use a “replication” strategy to achieve its investment objective, meaning it generally will invest in all of the component securities of the Index. However, the Fund may use a “representative sampling” strategy, meaning it may invest in a sample of the securities in the Index whose risk, return and other characteristics closely resemble the risk, return and other characteristics of the Index as a whole, when the Fund’s sub-advisers believe it is in the best interests of the Fund (e.g., when replicating the Index involves practical difficulties or substantial costs, an Index constituent becomes temporarily illiquid, unavailable, or less liquid, or as a result of legal restrictions or limitations that apply to the Fund but not to the Index).

The Fund generally may invest up to 20% of its total assets in Sharia-compliant securities or other investments not included in the Index, but which the Fund’s sub-advisers believe will help the Fund track the Index. For example, the Fund may invest in securities that are not components of the Index to reflect various corporate actions and other changes to the Index (such as reconstitutions, additions, and deletions). To the extent the Index concentrates (i.e., holds more than 25% of its total assets) in the securities of a particular industry or group of related industries, the Fund will concentrate its investments to approximately the same extent as the Index. The Fund is deemed to be “non-diversified,” which means that it may invest a greater percentage of its assets in the securities of a single issuer or a small number of issuers than if it was a diversified fund.

Shares are listed on a national securities exchange, such as the Exchange, and most investors will buy and sell Shares through brokers at market prices, rather than NAV. Because Shares trade at market prices rather than NAV, Shares may trade at a price greater than NAV (premium) or less than NAV (discount).

The SP Funds S&P 500 Sharia Industry Exclusions ETF (SPUS) seeks to track the performance, before fees and expenses, of the S&P 500 Sharia Industry Exclusions Index. Gain value-conscious exposure to an S&P 500 ETF composed according to AAOIFI guidelines. The SP Funds S&P 500 Sharia Industry Exclusions ETF (the “Fund” or the “Sharia ETF”) seeks to track the performance, before fees and expenses, of the S&P 500 Shariah Industry Exclusions Index (the “Index” or the “Shariah Index”).

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund (“Shares”). This table and the Example below do not include the brokerage commissions that investors may pay on their purchases and sales of Shares.

Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund (“Shares”). This table and the Example below do not include the brokerage commissions that investors may pay on their purchases and sales of Shares.

Annual Fund Operating Expenses (expenses that you pay each year as a percentage of the value of your investment)	
Management Fees	0.49%
Distribution and/or Service (12b-1) Fees	0.00%
Other Expenses ¹	0.00%
Total Annual Fund Operating Expenses	0.49%

¹ Estimated for the current fiscal year

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Shares are held in a taxable account. These costs, which are not reflected in total annual fund operating expenses or in the expense example above, affect the Fund’s performance. Because the Fund is newly organized, portfolio turnover information is not yet available.

Management for SPUS includes the below:

Investment Adviser: Toroso Investments, LLC (the “Adviser”) serves as investment adviser to the Fund.

Investment Sub-Advisers: CSat Investment Advisory, L.P. d/b/a Exponential ETFs (“Exponential”) and ShariaPortfolio (together, the “Sub-Advisers”), serve as investment sub-advisers to the Fund.

Portfolio Managers: Charles A. Ragauss, CFA, Managing Director at Exponential, has been a portfolio manager of the Fund since its inception in 2019. Naushad Virji, Chief Executive Officer at ShariaPortfolio, has been a portfolio manager of the Fund since its inception in 2019.

Shares are listed on a national securities exchange, such as the Exchange, and most investors will buy and sell Shares through brokers at market prices, rather than NAV. Because Shares trade at market prices rather than NAV, Shares may trade at a price greater than NAV (premium) or less than NAV (discount). The Fund issues and redeems Shares at NAV only in large blocks known as “Creation Units,” which only APs (typically, broker-dealers) may purchase or redeem. Creation Units generally consist of 25,000 Shares, though this may change from time to time. The Fund generally issues and redeems Creation Units in exchange for a portfolio of securities closely approximating the holdings of the Fund (the “Deposit Securities”) and/or a designated amount of U.S. cash.

If you purchase Shares through a broker-dealer or other financial intermediary (such as a bank) (an “Intermediary”), the Fund’s Adviser, Sub-Advisers, or their affiliates may pay Intermediaries for certain activities related to the Fund, including participation in activities that are designed to make Intermediaries more knowledgeable about exchange traded products, including the Fund, or for other activities, such as marketing, educational training or other initiatives related to the sale or promotion of Shares. These payments may create a conflict of interest by influencing the Intermediary and your salesperson to recommend the Fund over another investment. Any such arrangements do not result in increased Fund expenses. Ask your salesperson or visit the Intermediary’s website for more information.

Express Program

ShariaPortfolio also sponsors a wrap program, wherein it offers its discretionary portfolio management services via an automated online interactive website (the “Express Program”). Details regarding this program are outlined in our Form ADV Part 2A - Appendix 1 (“Wrap Brochure”).

Retirement Planning

We assist ERISA-qualified retirement and savings plans in the design of the fiduciary governance structure and with the development of an investment management program. Our services under ERISA are to act as a **Limited-Scope 3(21) Fiduciary**. As such, we acknowledge we have a co-fiduciary role but **do not** take discretion or act as a 3(38) Fiduciary to construct an investment menu, select and monitor money managers, mutual funds, or ETFs or to replace the investment options within the plan.

Our responsibility will be to provide the plan sponsors and/or named fiduciary of the retirement plan with access to extensive investment tools offered by various retirement planning providers, third-party administrators (“TPAs”), to guide them in their duty to implement, maintain, administer and provide fiduciary oversight of their corporate defined benefit and/or defined contribution retirement plan. Generally, these services will include, but are not limited to:

- ❖ Identifying asset classes and various asset class combinations;
- ❖ Diversification and optimization approaches for the plan to effectively control asset allocation decisions and risk management; and,
- ❖ Educating plan participants on investment options and use of the investment platform menu.

Fees for our retirement planning are disclosed below under “Retirement Planning Fee” in Item 5, “**Fees & Compensation.**”

³ The profile questionnaires and/or management software we use are vital tools for us to compile important data about you. Electing not to answer our questions or responding, but with limited input, can put us at a disadvantage and can handicap our ability to effectively manage your investment expectations. Therefore, if you want the best advice we can offer on your managed account(s), you should make every effort to provide us with detailed personal information and be as accurate on your responses as you possibly can.

⁴ You may, at any time, impose restrictions in **writing** on the securities we recommend (i.e., limit the types/amounts of particular securities purchased for your account, etc.).

FEES & COMPENSATION

Portfolio Management Fee

Portfolio management services are provided on an **asset-based fee** arrangement. The management fee will be calculated based on the **market value** of your portfolio account (including cash, cash equivalents, and as applicable accrued interest and dividends) on the last business day of the previous calendar quarter **multiplied by one-fourth** the corresponding annual percentage rate (i.e., $1.50\% / 4 = 0.375\%$).

We retain **discretion to negotiate the management fee within each tier** on a client-by-client basis depending on the size, complexity, and nature of the portfolio managed. In addition, as your portfolio value exceeds each tier level, either through additional deposits or asset growth, a fee break will occur. The tier breaks are as follows:

Portfolio Value	Annual Fee Rate Not to Exceed
Standard Portfolios	
Up to \$500,000	1.50%
\$500,001 to \$1,000,000	1.20%
\$1,000,001 to \$5,000,000	1.00%
Over \$5,000,000	0.75%
Mutual Fund Portfolios	
All Account Values	0.50%
Defined Contribution Portfolios	
All Account Values	0.75%

We generally require a minimum initial investment of **\$100,000** when opening a managed account. However, we retain the right to **waive or reduce** any minimum amount if we feel circumstances are warranted.

Fees for the Fund's Investment Advisory Services and Fees

The Fund generally will pay the Adviser an annualized management fee of up to 1.20%. The Manager and/or its affiliates will manage certain aspects of each applicable Investment in real estate (each a "Real Estate Investment" and collectively, "Real Estate Investments") and provide certain services, and in connection therewith, the Fund will pay to the Manager an annual management fee equal to 1.20% of assets of the Fund, payable monthly in arrears from the Capital Account of each Investor. The Manager may enter into agreements with affiliates of the Manager to perform all or any amount of the services for which the Fund compensates the Manager pursuant to the above provision without adjustment to the fees and amounts set forth above, and may pay any portion of the fees received to such affiliate.

In addition, the Fund expects to enter into Management Services Agreement(s) pursuant to which the Manager and/or a third party manager(s) will provide certain services to the Fund with respect to applicable properties in which the Fund invests, including asset management, property management, construction management, acquisition, disposition and refinance services. The Manager intends to compensate the third-party manager(s) as necessary. Fees paid to the Manager and third-party managers shall not exceed market conditions where the individual investment is located. See also "Compensation to Property Manager," and "Investment Management Services" below for additional potential compensation payable to the Manager, its

affiliates and third parties. If the Manager determines it to be necessary, it will cause the Fund to retain one or more affiliated or third party property managers (each, a “Property Manager”) to provide management services for the Real Estate Investments pursuant to one or more written property management agreement (each, a “Property Management Agreement”). The Property Management Agreement(s) will be terminable in accordance with the terms and conditions contained therein. In addition, The Fund expects to enter into a written Property Management Agreement with each Property Manager. Pursuant to such Property Management Agreement(s), the Property Manager will manage an applicable Real Estate Investment and provide property management and other related services, and in connection therewith. The compensation (“Property Management Fee”) payable to each Property Manager will vary depending on market conditions, property type and other considerations specific to each Real Estate Investment, as set forth in the applicable Property Management Agreement.

Fees and Expenses of the SPSK Fund

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund (“Shares”). This table and the Example below do not include the brokerage commissions that investors may pay on their purchases and sales of Shares.

Annual Fund Operating Expenses (expenses that you pay each year as a percentage of the value of your investment)

Management Fees	0.65%
Distribution and/or Service (12b-1) Fees	0.00%
Other Expenses	0.00%
Total Annual Fund Operating Expenses	0.65%

Estimated for the current fiscal year.

Expense Example: This Example is intended to help you compare the cost of investing in the Fund with the cost of investing in other funds. The Example assumes that you invest \$10,000 in the Fund for the time periods indicated and then redeem all of your Shares at the end of those periods. The Example also assumes that your investment has a 5% return each year and that the Fund’s operating expenses remain the same.

Portfolio Turnover The Fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Shares are held in a taxable account. These costs, which are not reflected in total annual fund operating expenses or in the expense example above, affect the Fund’s performance. Because the Fund is newly organized, portfolio turnover information is not yet available.

The Fund uses a “passive management” (or indexing) approach to track the performance, before fees and expenses, of the Index. The Index is rebalanced and reconstituted monthly and is market value weighted. As of November 30, 2019, the Index was composed of 83 constituents, representing investments in seven foreign countries, and had an average weighted maturity of 6.00 years.

The terms of our client’s advisory fees and expenses are typically detailed in the advisory agreement and described above in our Form ADV as well as corresponding Form ADV Part 1A, and other materials provided to the client. ShariaPortfolio seeks to value assets in our client’s account using the same method that is specified in each of our client’s advisory agreements. For example, the Access Program management fee is calculated by taking the fair market value, as determined by the Company, of the Client’s Portfolio on the last business day of the previous calendar quarter multiplied by one fourth of the corresponding annual fee rate. The fair market value of the

Portfolio (securities, cash, and cash equivalents) under management shall be valued by the Company, in good faith, based on the value of Client's account as reported on the Client's statement provided by the Custodian where the Client's Portfolio is maintained. The Firm discloses that there may be a nominal difference related to the receipt of dividends in the account.

Protocols for Portfolio Management

The following protocols establish how we handle our portfolio management accounts and what you should expect when it comes to: (i) managing your account; (ii) your bill for investment services; (iii) deposits and withdrawals of funds; and (iv) other fees charged to your account(s).

Discretion

We will establish discretionary trading authority on all management accounts to execute securities transactions at any time without your prior consent or advice.

You may, however, impose restrictions, **in writing**, on our discretionary authority (i.e., limit the types/amounts of particular securities purchased for your account, etc.).

Billing

Through the Investment Advisory Agreement, you give us permission to invoice your custodian for debiting our advisory fees from your managed account assets. Your account will be **billed quarterly in advance** based on the fair market value of your portfolio and where it **falls within our tiered fee schedule**. For **new managed** accounts opened in mid-quarter, our fee will be based upon a **pro-rated calculation of your assets** **to be managed** for the current quarterly period.

As the market value of your portfolio exceeds/decreases to the next/previous tier level, either from market activity or additional deposits/withdrawals, **a fee break will occur and the Client's management fee will be adjusted accordingly at the next quarterly fee billing calculation**. The portfolio value will include all related accounts with the same address and related corporate accounts. This does not include related accounts that are fully invested in mutual funds ("mutual fund portfolios") and account assets invested in Private Funds, as those portfolios and assets are only charged 0.50%.

Advisory fees will be deducted first from any money market funds or cash balances. If such assets are insufficient to satisfy payment of such fees, a portion of the account assets will be liquidated to cover the fees.

Deposits and Withdrawals

Assets deposited by you into your managed portfolio between billing cycles will **not** result in additional management fees being billed to you **unless such deposits exceed \$20,000**. We do not want to discourage you from investing additional capital for your future, however deposits of this amount or greater, in most cases, will require modifications and adjustments to your investment allocation. Therefore, we reserve the right to bill your account a pro-rated fee based upon the number of days remaining in the current quarterly period for deposits exceeding the above amount.

We **do not make partial refunds** of our quarterly fee for withdrawals you make during a calendar quarter. Just as with deposits, withdrawals from your account will require modifications and adjustments to be made to correct the allocation of assets in your portfolio.

Fee Exclusions

The above fees for all of our portfolio management services are exclusive of any charges imposed by the custodial firm who has custody of your account; including, but not limited to: (i) any Exchange/SEC fees; (ii) certain transfer taxes; (iii) service or account charges, such as, postage/handling fees, electronic fund and wire transfer fees, auction fees, debit balances, margin interest, certain odd-lot differentials and mutual fund short-term redemption fees; and (iv) brokerage and execution costs associated with securities held in your managed account. There can also be other fees charged to your account that are unaffiliated with our management services.

In addition, all fees paid to us for portfolio management services are separate from any fees and expenses charged on mutual fund shares by the Investment Company or by the investment advisor managing the mutual fund portfolios. These expenses generally include management fees and various fund expense, such as administrative fees and 12b-1 fees. Redemption fees, account fees, purchase fees, contingent deferred sales charges, and other sales load charges can occur but are the exception within managed accounts at institutional custodians. A complete explanation of these expenses charged by the mutual funds/ETFs is contained in each mutual fund's or ETF's prospectus. Client assets invested in Private Funds are also subject to management fees, performance and/or incentive fees and other expenses as described in each Private Fund's offering documents. You are encouraged to carefully read all offering documents and mutual fund prospectus for full details on these fees.

For more information on the custodial firm that we will recommend to custody your portfolio accounts, see Item 12, "Brokerage Practices".

Termination of Portfolio Management Services

To terminate our portfolio management services, either party (you or us), by **written notification to the other party**, may terminate the Investment Advisory Agreement at any time, provided such written notification is received **at least 5 days** prior to the date of termination. Such written notification should include the date the termination will go into effect along with any final instructions on the account (i.e., liquidate the account, finalize all transactions and/or cease all investment activity).

In the event termination does not fall on the first/last day of a calendar quarter, **you shall be entitled to a pro-rated refund** of the prepaid quarterly management fee based upon the number of days remaining in the quarterly cycle after the termination notice goes into effect. **Once the termination of investment advisory services has been implemented, neither party has any obligation to the other** - we no longer earn management fees or give investment advice and you become responsible for making your own investment decisions.

Terminated Accounts

If ShariaPortfolio's services are terminated by written notice by either party, ShariaPortfolio will conduct an analysis of services provided to determine whether any pre-paid costs were unearned, and any such unearned pre-paid costs will be refunded to the Client on a pro-rata basis. If the prorated refund amount is \$10 or more then ShariaPortfolio will send the client the refund check. Any amount below \$10 the Firm will not send.

Upon notice of termination to the Client, ShariaPortfolio will begin the process of removing its access to the Client's Advisory Accounts; however, the custodian may require a reasonable amount of time to liquidate and/or transfer assets, including time for required recordkeeping, processing, and complying with the rules and conditions imposed by mutual fund companies, stock exchanges, or securities issuers.

Retirement Planning Fee

As a **Limited-Scope 3(21) Fiduciary** our responsibility to the plan sponsors and/or named fiduciary will be to assist with the development of an investment program menu based on the investment disciplines that most closely resemble the retirement plan's investment objectives and risk tolerance as outlined in the plan's Investment Policy Statement. The investment platform menu, administered by a third-party administrator ("TPA") offers:

- ❖ Customized mutual fund allocation models with each model consisting of varying target asset allocations.
- ❖ Customized open architecture platform of leading third-party portfolio managers ("Portfolio Manager").
- ❖ Construction tools to implement effective investment portfolios.
- ❖ Online reporting and account access.

Once the platform menu is in place, we will advise the plan investment committee on the performance of each allocation model and/or Portfolio Manager and make recommendations, if any, on rebalancing and/or replacement of investment options to the platform menu.

Retirement Planning Fees

Retirement planning services are provided on an asset-based fee arrangement and such fees will be administered by the retirement plan TPA platform. **The TPA will disclose all fees to the plan sponsors and/or named fiduciary in a retirement planning agreement** and provide copies of any disclosure documents such as a Portfolio Manager's Disclosure Brochures (i.e.: Form ADV Part 2A: Firm Brochure or Part 2A Appendix 1: Wrap Fee Program Brochure). The retirement planning fees that will be charged to retirement plan will include:

1. The TPA platform fee;
2. The Portfolio Manager's management fee, if any; and,
3. Our retirement planning fee (not to exceed 1.00%) that the TPA will pay us from the total fee collected.

Protocols for Retirement Planning Services

The TPA's retirement planning agreement contains all pertinent disclosures relating to the management services being offered: such as, the fee structure for such services, billing, fee exclusions, termination provisions, and any other unique advisory costs associated with servicing the retirement plan. We will discuss all these arrangements with the plan sponsors and/or named fiduciary when we go to select the retirement plan TPA platform; however, the plan sponsors and/or named fiduciary is **encouraged to read about these retirement services on their own - don't take our word for it!**

planning

PERFORMANCE-BASED FEES & SIDE-BY-SIDE MANAGEMENT

ITEM 6

Performance-Based Fees

Should you be interested, and meet the minimum qualifications, we offer an optional performance-based management fee structure.

Performance Trading

DESCRIPTION - The Performance Trading Portfolio is aggressive and formula driven using

quantitative analysis to calculate risk and probability with the overall objective being to preserve asset growth while, at the same time, participating in the potential appreciation of the market. This aggressive strategy will incorporate components of the Aggressive and Moderate objectives depending on your preferences.

OBJECTIVE - Aggressively Traded Performance Drive: The Performance Trading portfolio seeks to offer enhanced equity growth and income performance using an aggressive management strategy for enhanced performance and participation in major market trends and sector trends.

PERFORMANCE TRADING FEE -

Style: Actively Managed - Aggressive Growth
Account Minimum: \$500,000⁵

⁵The minimum account size of \$500,000 is negotiable on a client-to-client basis. However, regardless of the minimum account size, you must still meet either the \$1,000,000 or \$2,000,000 requirement for performance management (See "Regulatory Restrictions" below for more information.), understand the risks involved in an aggressive investment strategy, and be able to absorb the potential loss that can occur in this type of strategy.

Fee Structure: The Performance Trading Fee is based on how well the portfolio performs over a **quarterly** period. The Performance Trading Fee structure is set as follows:

- If the account market value, at the close of the current calendar quarter, **exceeds the prior high watermark account value by 1.00%, we will earn 25% of the trading profits over the 1.00%.**
- Therefore, **if the quarterly account value does not achieve a 1.00% return, we do not earn a fee.**
- The **"high watermark"** is the Performance Trading portfolio market value at the close of a calendar quarter adjusted for deposits, withdrawals, and our performance fee earned from the prior quarter, if any.
- The **"hurdle rate"** is the high watermark **plus 1.00%**. We must achieve the hurdle rate in order to charge a performance fee. If the market value of the Performance Trading portfolio at the close of a calendar quarter exceeds the hurdle rate, that market value becomes the new high watermark. **The high watermark resets January 1st of each calendar year.**

The first 1.00% in trading profits is **not** charged a fee.

- The **"market value"** is the value of the Performance Trading portfolio account as shown on the account statement at the close of each calendar quarter provided by the custodial firm.

IMPORTANT CONSIDERATIONS - This strategy is designed for clients who can tolerate above average risks in order to seek unusually high returns. This account can utilize various aggressive tools including margin, market timing, sector fund selection, concentrated equity positions, and specialized securities designed to magnify (and in some cases produce inverse of) the performance of various market indexes. This strategy may not be tax efficient and is best implemented in qualified accounts such as IRA's.

Performance Trading Fee Billing

The Performance Trading Fee is billed to the account in arrears. The Performance Trading Fee will **only** be assessed if the account value exceeds the previously established high watermark for the account. The Performance Trading Fee is 25% of the trading profits over 1.00%. For example, if the high watermark is \$1,000,000, and the net account value at the end of the



quarter is \$1,020,000, the account during the quarter had a 2% trading profit return. Our fee will be calculated as follows: $\$1,020,000 - \$1,010,000 = \$10,000 \times 25\% = \$2,500$.

Withdrawing Assets from Your Performance Trading Account

Should you withdraw assets from your Performance Trading account during the quarterly effectively lowering your quarterly account value to a level that could cause us to not earn a performance fee, we reserve the right to reduce the high watermark set on your account equal to the amount of your withdrawal.

Termination of Performance Trading Services

A Performance Trading account can be terminated at any time at the end of a calendar quarter. Upon termination, if your Performance Trading account exceeds the quarterly high watermark, we will bill your account our performance fee.

Regulatory Restrictions

To participate in the Performance Trading strategy, you must meet the minimum requirements of SEC Rule 205-3(d)(1), which are only available to you if:

- ❖ You fully understand the risks involved in performance-based fee management;
- ❖ You have at least \$1,000,000 under management with us or a net worth equal to or greater than \$2,000,000; or,
- ❖ You are a “qualified purchaser” under Section 2(a)(51)(A) of the Investment Company Act of 1940.

Positives and Negatives with Performance-Based Fee Accounts

A performance-based fee arrangement gives you the ability to hedge our fees. The benefit, in comparing the non-performance asset-based management fee with our performance-based fee is, if we **don’t** achieve and exceed the quarterly high watermark by a minimum 1.00%, you would **not pay any management fee** for your account while enjoying, hopefully, a moderate to neutral return. The negative to you is, if we **do exceed the quarterly high watermark**, the fee you would pay would be a share of the capital gains in your account - **which could be substantially higher than our standard asset-based fee structure.**

Performance-Based Management Conflicts

In a performance-based fee account, we can earn a substantially higher fee based on the returns we generate in your account. This poses a potential conflict of interest, which could affect the objectivity of our advice and recommendations in the following ways:

- ❖ Such performance-based accounts create greater incentives for us to be more aggressive so as to achieve higher returns. When we do this, you absorb a greater risk of possible loss due to excessive trading (churning) in the account while we would only lose potential performance-based management fees.
- ❖ Focus on such performance-based accounts could consume much of our time and therefore those other non-performance managed accounts could lose out on valuable time that should be devoted to all investments.
- ❖ Lower fees for comparable services may be available from other sources

Notwithstanding such potential conflicts, we strive to serve your best interest; as well as, ensuring such performance-based management is in compliance with the Investment Advisor Act of 1940, Rule 205-3.

Importantly, some of the Private Funds that our clients invest in will charge performance or incentive-based fees, which are outlined in the respective Private Fund’s offering documents and should be reviewed by investors prior to investing. ShariaPortfolio does not receive any portion of these fees.

TYPES OF CLIENTS

ITEM 7

The types of clients to whom we offer advisory services are described above under “Who We Are” in Item 4, “**Advisory Business**”. We do not require a minimum account size for portfolio management services; however, our services do have a minimum fee as disclosed above under “Portfolio Management Fee” in the Item 5, “**Fees & Compensation**” section of this Brochure.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES & RISK OF LOSS

ITEM 8

Our portfolio management and investment consulting services are designed to build long-term wealth while maintaining risk tolerance levels acceptable to you. We combine your financial needs and investment objectives, time horizon, and risk tolerance to yield an effective investment strategy. Your portfolio is then tailored to these unique investment parameters using a mix of equity (“stock”) positions, Investment Company (“mutual funds”) products, and Exchange-Traded Funds (“ETFs”) to achieve the best return on your investment capital.

In addition, depending on your risk tolerance, we may also recommend using the following investment vehicles to achieve your desired investment objective: closed-end funds, hedge funds, private placements and other publicly traded securities. These investment vehicles bring on a whole different risk dynamic. If we recommend investment in one of these securities, we will discuss with you the limitations of such security and the potential risk factors to your portfolio.

In addition, the Adviser currently provides investment advisory services to the Fund which are the Adviser’s client(s), subject to the direction and control of the General Partner of the Fund, and not individually to the limited partners of the Fund.

The minimum investment requirement for the Fund is \$50,000. However, the General Partner of the Fund, in its sole discretion, may permit investments that are less than the required minimum investment commitment set forth in the applicable Fund’s offering documents. The Fund is seeking to raise a maximum of up to \$100,000,000 in cash investments through the sale of Interests as part of the Offering. The minimum subscription amount is \$50,000 per investor, although the Manager may waive that requirement in its sole discretion to permit purchases of lower amounts. Each Member shall convey by way of contribution to the Fund cash having an aggregate value equal to the amount set forth in such Member’s Subscription Agreement. Except with the prior consent of the General Partner, the minimum Initial Capital Contribution for each Member shall be \$50,000

Methods of Analysis

In analyzing securities to develop an efficient asset allocation portfolio, we will use a combination of analysis techniques to gather information and to guide us in our management decisions.

Methods of Analysis and Investment Strategies

Investment Strategies for the Fund. The Adviser’s strategy for the Funds consists of the Fund’s investment objective is to seek to generate long-term total returns with a focus on current income. At least seventy-five percent (75%) of Fund assets will be invested in commercial real estate, residential real estate, Section 8 housing projects and other private investment funds holding those types of assets. The Fund will only invest in un-leveraged real estate investments to conform with personal values of avoiding debt.

Additionally, up to twenty-five percent (25%) of the Fund assets will be invested in publicly traded securities or cash. The publicly traded securities selected will focus on income and stability investments, including, among other things, equity stocks and mutual funds that pay dividends, with an emphasis on stability and high yield.

General Risks of Private Company Investments. The Funds’ investments will be subject to the risks generally inherent in privately held businesses. These risks include, without limitation, risks that the privately-held businesses (i) will not be able to attract sufficient capital to meet

operating needs; (ii) will not have products or services that are accepted in the market; (iii) will not be able to attract a work force of a sufficient size; and (iv) will have competitors that are better funded.

Illiquidity. Investment in the Funds requires a long-term commitment, with no certainty of return. The Funds do not expect to generate cash flow to the limited partners in the near term. Most of the Funds' investments will be highly illiquid and there can be no assurance that the Fund will be able to realize return of its capital or profits on such investments in a timely manner, if at all.

Reliance on the General Partner and the Principals. The Fund's General Partner will have exclusive responsibility for managing that Fund's activities, and limited partners will not be able to make investments or any other decisions in the management of the Funds. Additional members may be admitted to the General Partners following a Fund's initial closing, existing members may withdraw, and the limited partners will have no power to prevent any specific person from being admitted to, or withdrawing from, a General Partner. The loss of any individual principal of a General Partner could have a significant adverse impact on the business of a Fund.

Conflicts of Interest. The principals of the Fund currently manage multiple types of clients as disclosed in Item 5 of Form ADV, Part 1A, that are engaged in similar investment activities. As such, conflicts between the interests of one client and a Fund may arise from time to time in differing contexts. The offering documents contain certain protections for limited partners against conflicts of interest faced by the General Partner and its members, but do not purport to address all types of conflicts that may arise. By acquiring a limited partnership interest in a Fund, each investor will be deemed to have acknowledged the existence of such actual and potential conflicts of interest and to have waived any claim with respect to the existence of any such conflicts of interest. The Funds or the General Partners may, in certain circumstances, choose to seek the approval of a Fund's Advisory Committee, which consists of representatives from the Fund's limited partners, with respect to certain conflicts of interest. Any such approval of the Advisory Committee will be binding.

Please see the Fund's offering documents for information about the specific risks associated with an investment in the Fund.

Fundamental Analysis

Fundamental analysis considers: efficiency ratios, growth rates, enterprise value, economic conditions, earnings, cash flow, book value projections, industry outlook, politics (as it relates to investments), historical data, price-earnings ratios, dividends, general level of interest rates, company management, debt ratios and tax benefits.

RISKS - Fundamental analysis places greater value on the long-term financial structure and health of a company, which may have little to no bearing on what is actually happening in the marketplace. Investing in companies with sound financial data/strength and a history of health returns can be a good long-term investment to hold in your portfolio; however, such fundamental data does not always correlate to the trading value of the stock on the exchanges. In the short-term, the stock can decrease in value as investors trade in other market sectors.

Quantitative Analysis

Quantitative analysis seeks to understand the behavior of a security using mathematical and statistical modeling to measure certain unique characteristics such as, for example, revenues, earnings, margins, and market share. Mathematical and statistical modeling helps us to ascertain security price and risk to ultimately help identify profitable opportunities.

RISKS - The key benefit of quantitative analysis is its ability to reduce complex figures to a

single piece of data that is easy to grasp, discuss, and support decision-making and investment recommendations. However, using quantitative analysis alone with no further evaluation is often too narrow and sometime misleading since focus is on financial data while neglecting other details such as management experience, employee attitudes, and brand recognition.

Technical Analysis

Technical analysis utilizes current and historical pricing information to help us identify trends in the broader domestic and foreign equity and fixed income markets, and in the underlying assets themselves. This usually involves the use of various technical indicators, such as moving averages and trend-lines, among others.

RISKS - Technical analysis is charting the historical market data of a stock, taking into consideration current market conditions, to forecast the direction of a future stock price rather than using fundamental tools for evaluating a company's financial strength. Technical analysis focuses on the price movement of a security trading in the marketplace. This is an ideal tool for short-term investing to identify ideal market entry/exit points. However, no market indicator is absolutely reliable and your investment portfolio can underperform in the short-term should the market indicators be incorrect.

Cyclical Analysis

Market cycles provide historic tried and true timing mechanisms to indicate turning points in future market prices. By tracking historic data through charts and graphs we can improve entry and exit strategies.

RISKS - Cyclical data reveals regular intervals of repeated events that can be forecasted into the future to time the market on when to buy/sell a security. The risk with cyclical analysis is attempting to buy/sell a security based on a future price prediction and missing beneficial movements in price due to an error in timing. This causes harm to the value of the security being bought too high or sold too low.

Fundamental analysis provides us with a broad long-term view of a security that begins with determining a company's value and the strength of its financials while **quantitative analysis** assists us with portfolio optimization techniques. **Technical analysis** is short-term focusing on the statistics generated by market activity; and, **cyclical analysis** provides us with historical data on market trends to focus our technical analysis for ideal entry/exit points.

Investment Strategies

We are not bound to a specific investment strategy or ideology for the management of your investment portfolio. We understand markets and **money made** from increased stock values has greater risk (volatility) than **money earned** from dividends (secure and stable) in income-oriented securities. Our goal is to balance making and earning money by maintaining a disciplined management approach, regardless of the strategy, so as to not sacrifice long-term goals for short-term gains.

Taking into consideration your need for money (portfolio withdrawals) and your tolerance for risk, we can help you select among the following investment strategies (ordered from conservative to aggressive):

- ❖ **Income Strategy** - The Income investment strategy focuses on capital preservation using dividend-paying Sharia-compliant stocks and mutual funds. Stocks are selected using a value-based approach with an emphasis on stability and high yield. The Income portfolio seeks to provide you with short-term capital appreciation through a passively managed portfolio strategy. Special emphasis is placed on capital preservation as an investment objective. This strategy is **suitable for short-term investors and those**

seeking regular income.

- ❖ **Moderate Strategy** - The Moderate investment strategy focuses on income as well as growth also using dividend-paying Sharia-compliant stocks and mutual funds. Stocks are selected using a value-based approach. Sharia-compliant mutual funds are also utilized for greater diversification and added exposure to international investments. The Moderate portfolio seeks to produce income with the potential for capital growth through an actively managed portfolio of socially responsible sector stocks. This strategy is **suitable for investors that have a 3-to-5year investment time horizon**.
- ❖ **Aggressive Strategy** - The Aggressive investment strategy focuses on long-term capital growth using individual Sharia-compliant common stocks primarily by means of a value-based approach to security selection. Sharia-compliant mutual funds are also utilized for greater diversification and added exposure to international investments. The Aggressive portfolio seeks to provide long-term capital appreciation through an actively managed portfolio of socially responsible sector stocks. This strategy is **suitable for investors with a time horizon greater than 5 years**.

Value Investing

Value Investing involves selecting securities that trade for less than their intrinsic values, being more concerned with the business and its fundamentals than other influences on the stock's price. Value investing is about finding stocks that we believe the market has undervalued. We perform fundamental analysis of a company's stock looking at both the qualitative (business model, governance, earning potential, target market factors, etc...) and quantitative (ratios, cash flow, dividends, financial statement analysis, etc...) aspects of the company to determine if the business is currently out of favor with the market and the stock price is deflated. Generally, if we find that a company's fundamentals reveal the stock to be undervalued, we will buy and hold the security for the long term.

Asset Allocation

Asset Allocation is a broad term used to define the process of selecting a mix of asset classes and the efficient allocation of capital to those assets by matching rates of return to a specified and quantifiable tolerance for risk. From this we may use more narrow and aggressive Asset Allocation derivatives. We have developed five primary model portfolio structures that are used as Asset Allocation guideline models in designing your investment portfolio. These models consist of:

- ❖ **Mutual Fund Models** - These models are designed for the more conservative investors with moderate capital to open a managed account. Models contain a diversified mix of mutual funds using primarily the Income and Moderate strategies and occasionally the Aggressive strategy.
- ❖ **Standard Models** - These models are tracked with our Portfolio Snapshot reports and are designed for all stages of investment need. Models contain a combination of stocks and mutual funds using the Income, Moderate, and Aggressive strategies.
- ❖ **401(k) Models** - These models contain only mutual funds available on the TPA/custodian platform. Models are structured similar to our Standard Models using a combination of the Income, Moderate, and Aggressive strategies.
- ❖ **Stock Models** - These models contain stocks, and occasionally ETFs, designed for individuals with capital to invest looking for high investment returns and aggressive growth. Models use only our Aggressive strategy.

Each model consists of a different "target" Asset Allocation comprised of different asset classes⁶ - spreading money among a variety of investments as opposed to investing in just one - creating a more prudent approach to managing risk. The investment mix is uniquely designed to achieve your desired investment return. The selected stocks and other investment vehicles in your investment portfolio are diversified to reflect their risk profile.

⁶The different asset classes are: Large-Cap U.S. Value Stocks; Large-Cap U.S. Growth Stocks; Mid-Cap U.S. Value Stocks; Mid-Cap U.S. Growth Stocks; Small-Cap U.S. Value Stocks; Small-Cap U.S. Growth Stocks; International Stocks; Commodity Funds; Fixed Income, Partnerships, REITS, and Cash.

Asset Allocation Model	Stocks	Percentage of Mutual Funds	Cash
Income	40% - 65%	25% - 50%	0% - 20%
Moderate	70% - 85%	10% - 30%	0% - 20%
Aggressive	80% - 95%	0% - 20%	0% - 20%

Such allocation guidelines are a representation of a typical account composition but should not be construed as absolute. Ultimately, the exact composition makeup and allocation of securities are determined by the client's investment parameters, which can compose a more detailed and/or complex structure.

Managing Risk

The biggest risk to you is the risk that the value of your investment portfolio will decrease due to moves in the market. This risk is referred to as the **market risk** factor, also known as variability or volatility risk. Other important risk factors:

- ❖ **Interest Rate Risk** - Sharia-compliant principals shun interest-based finance or investing. However, we are discussing market risk factors and how interest rates can affect the value of stocks. When the Federal Reserve attempts to control inflation by increasing the federal funds rate, the Federal Reserve disturbs the lending practices of banks and money becomes more expensive to borrow. This creates a ripple effect across the economy; thus, impacting the behavior of consumers and businesses and how they spend.
- ❖ **Equity Risk** - Equity risk is the risk that the value of your stocks will depreciate due to stock market dynamics causing one to lose money.
- ❖ **Currency Risk** - Currency risk is the risk that arises from the change in price of one currency against that of another. Investment values in internationally securities can be affected by changes in exchange rates.
- ❖ **Inflation Risk** - The reduction of purchasing power of investments over time.
- ❖ **Commodity Risk** - Commodity risk refers to the uncertainties of future market values and the size of future income caused by the fluctuation in the prices of commodities (i.e., grains, metals, food, electricity, etc...).

In addition, the Private Fund investments carry certain risks, including without limitation, limited liquidity, higher fees, volatile performance, heightened risk of loss, limited transparency, special tax considerations, subjective valuations and limited regulatory oversight. Therefore, Private Funds are usually not suitable for all of our clients and therefore, will only be offered only to certain qualifying clients for whom an investment therein is determined to be suitable. Additionally, certain Private Funds are more illiquid than others, meaning that an investor's investment can be "locked up" for a defined period of time or for the life of the Private Fund. The illiquidity of each Private Fund depends on a few factors, including but not limited to the type and liquidity of the Private Fund's underlying investments. Each Private Fund has an offering document, which contains detailed information on the various risks and fees relating to the investment. It is important for investors to read the offering documents fully before investing.

Registered Investment Company and ETF Risks

In connection with SPSK, you can lose money on your investment in the Fund. The Fund is subject to the risks described below. Some or all of these risks may adversely affect the Fund's net asset value per share ("NAV"), trading price, yield, total return and/or ability to meet its objective. For more information about the risks of investing in the Fund, see the section in the Fund's Prospectus titled "Additional Information About the Funds—Principal Risks of Investing in Each

Fund.” The principal risks are presented in alphabetical order to facilitate finding particular risks and comparing them with other funds. Each risk summarized below is considered a “principal risk” of investing in the Fund, regardless of the order in which they appear.

- **Concentration Risk.** The Fund’s investments will be concentrated in an industry or group of industries to the extent the Index is so concentrated. In such event, the value of Shares may rise and fall more than the value of shares that invest in securities of companies in a broader range of industries.
- **Equity Market Risk.** The equity securities held in the Fund’s portfolio may experience sudden, unpredictable drops in value or long periods of decline in value. This may occur because of factors that affect securities markets generally or factors affecting specific issuers, industries, or sectors in which the Fund invests. Common stocks, such as those held by the Fund, are generally exposed to greater risk than other types of securities, such as preferred stock and debt obligations, because common stockholders generally have inferior rights to receive payment from issuers.
- **ETF Risks**
- **Authorized Participants, Market Makers, and Liquidity Providers Concentration Risk.** The Fund has a limited number of financial institutions that are authorized to purchase and redeem Shares directly from the Fund (known as “Authorized Participants” or “APs”). In addition, there may be a limited number of market makers and/or liquidity providers in the marketplace. To the extent either of the following events occur, Shares may trade at a material discount to NAV and possibly face delisting: (i) APs exit the business or otherwise become unable to process creation and/or redemption orders and no other APs step forward to perform these services; or (ii) market makers and/or liquidity providers exit the business or significantly reduce their business activities and no other entities step forward to perform their functions.
- **Costs of Buying or Selling Shares.** Due to the costs of buying or selling Shares, including brokerage commissions imposed by brokers and bid/ask spreads, frequent trading of Shares may significantly reduce investment results and an investment in Shares may not be advisable for investors who anticipate regularly making small investments.
- **Shares May Trade at Prices Other Than NAV.** As with all ETFs, Shares may be bought and sold in the secondary market at market prices. Although it is expected that the market price of Shares will approximate the Fund’s NAV, there may be times when the market price of Shares is more than the NAV intra-day (premium) or less than the NAV intra-day (discount) due to supply and demand of Shares or during periods of market volatility. This risk is heightened in times of market volatility, periods of steep market declines, and periods when there is limited trading activity for Shares in the secondary market, in which case such premiums or discounts may be significant.
- **Trading.** Although Shares are listed on a national securities exchange, such as NYSE Arca, Inc. (the “Exchange”) and may be traded on U.S. exchanges other than the Exchange, there can be no assurance that Shares will trade with any volume, or at all, on any stock exchange. In stressed market conditions, the liquidity of Shares may begin to mirror the liquidity of the Fund’s underlying portfolio holdings, which can be significantly less liquid than Shares.
- **Large-Capitalization Companies Risk.** The securities of large-capitalization companies may be relatively mature compared to smaller companies and therefore subject to slower growth during times of economic expansion.
- **Models and Data Risk.** The composition of the Index is heavily dependent on proprietary quantitative models as well as information and data supplied by third parties (“Models

- and Data”). When Models and Data prove to be incorrect or incomplete, any decisions made in reliance thereon may lead to the inclusion or exclusion of securities from the Index universe that would have been excluded or included had the Models and Data been correct and complete. If the composition of the Index reflects such errors, the Fund’s portfolio can be expected to also reflect the errors.
- **New Fund Risk.** The Fund is a recently organized management investment company with no operating history. As a result, prospective investors do not have a track record or history on which to base their investment decision.
 - **Non-Diversification Risk.** Because the Fund is “non-diversified,” it may invest a greater percentage of its assets in the securities of a single issuer or a small number of issuers than if it was a diversified fund. As a result, a decline in the value of an investment in a single issuer or a small number of issuers could cause the Fund’s overall value to decline to a greater degree than if the Fund held a more diversified portfolio.
 - **Passive Investment Risk.** The Fund invests in the securities included in, or representative of, its Index regardless of their investment merit. The Fund does not attempt to outperform its Index or take defensive positions in declining markets. As a result, the Fund’s performance may be adversely affected by a general decline in the market segments relating to its Index.
 - **Sharia-Compliant Investing Risk.** Islamic religious law commonly known as Sharia has certain restrictions regarding finance and commercial activities permitted for Muslims, including interest restrictions and prohibited industries, which reduces the size of the overall universe in which the Fund can invest. The strategy to reduce the investable universe may limit investment opportunities and adversely affect the Fund’s performance, especially in comparison to a more diversified fund. Because Islamic principles preclude the use of interest-paying instruments, cash reserves do not earn income.
 - **Tracking Error Risk.** As with all index funds, the performance of the Fund and its Index may differ from each other for a variety of reasons. For example, the Fund incurs operating expenses and portfolio transaction costs not incurred by the Index. In addition, the Fund may not be fully invested in the securities of the Index at all times or may hold securities not included in the Index.
 - **Underlying Index Risk.** Neither the Fund’s investment adviser nor the Index Provider (defined below) is able to guarantee the continuous availability or timeliness of the production of the Index. The calculation and dissemination of the Index values may be delayed if the information technology or other facilities of the Index Provider, calculation agent, data providers and/or relevant stock exchange malfunction for any reason. A significant delay may cause trading in shares of the Fund to be suspended. Errors in Index data, computation and/or the construction in accordance with its methodology may occur from time to time and may not be identified and corrected by the Index Provider, calculation agent or other applicable party for a period of time or at all, which may have an adverse impact on the Fund and its shareholders.

The risk factors we have cited here are not intended to be an exhaustive list, but are the most common risks your portfolio will encounter. Other risks that we haven’t defined could be political, over-concentration, and liquidity to name a few. However, notwithstanding these risk factors, the most important thing for you to understand is that regardless of how we analyze securities or the investment strategy and methodology we use to guide us in the management of your investment portfolio, **investing in a security involves a risk of loss that you should be willing and prepared to bear; and furthermore, past market performance is no guarantee that you will see equal or better future returns on your investment.**

DISCIPLINARY INFORMATION

ITEM 9

We have no legal or disciplinary events to report.

OTHER FINANCIAL INDUSTRY ACTIVITIES & AFFILIATIONS

ITEM 10

Financial Industry Affiliation

In addition to serving as the President of ShariaPortfolio, Naushad Virji also serves in the same capacity with Virji Investments, Inc., an investment advisor registered in the State of Florida. Mr. Virji's duties include providing operational oversight and conducting all investment activities on behalf of Virji Investments.

The time Mr. Virji devotes to the activities of Virji Investments can vary up to 20% of his time depending on his fiduciary responsibilities and regulatory reporting time constraints as part of his administrative duties. Mr. Virji's responsibility to Virji Investments can occasionally create a time management conflict that you should consider. However, we do not feel Mr. Virji's responsibilities to Virji Investments will distract from his duty to manage your investment portfolio. Regardless, we strive to serve your best interest and maintain our fiduciary responsibility by making you aware of circumstances that could adversely affect the management of your account(s) in compliance with the Investment Advisers Act of 1940.

CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS & PERSONAL TRADING

ITEM 11

Code of Ethics

As a fiduciary, the Company has an affirmative duty to render continuous, unbiased investment advice, and at all times act in your best interest. To maintain this ethical responsibility, we have adopted a Code of Ethics that establishes the fundamental principles of conduct and professionalism expected by all personnel in discharging their duties. This Code is a value-laden guide committing such persons to uphold the highest ethical standards, rooted in the most elementary maxim. Our Code of Ethics is designed to deter inappropriate behavior and heighten awareness as to what is right, fair, just and good by promoting:

- ❖ Honest and ethical conduct.
- ❖ Full, fair and accurate disclosure.
- ❖ Compliance with applicable rules and regulations.
- ❖ Reporting of any violation of the Code.
- ❖ Accountability.

To help you understand our ethical culture and standards, how we control sensitive information and what steps have been taken to prevent personnel from abusing their inside position, a copy of our Code of Ethics is available for review upon request.

Client Transactions

We have a fiduciary duty to ensure that your welfare is not subordinated to any interests of ours or of our personnel. The following disclosures are internal guidelines we have adopted to assist us in protecting all of our clientele.

Participation or Interest

It is against our policies for any owners, officers, directors and employees to invest with you or with a group of clients, or to advise you or a group of clients to invest in a private business interest or other non-marketable investment unless prior approval has been granted by our Chief Compliance Officer, and such investment is not in violation of any SEC and/or State rules and regulations.

Insider Trading Policy

We comply with the Insider Trading and Securities Fraud Enforcement Act of 1988. We do not share any non-public information with anyone who does not need to know and have established internal controls to guard your personal information.

Class Action Policy

The Company **does not elect to participate** in class action lawsuits on your behalf. Such decisions shall remain with you or with an entity you designate. However, if you have specific questions you may contact us and we will help explain the particulars. Keep in mind, any final determination of whether to participate, and the completion and tracking of any such related documentation, shall rest with you.

Personal Trading

Employees of ours are permitted to personally invest their own monies in securities, which may also be, from time to time, recommended to you. Most of the time, such investment purchases are independent of, and not connected in any way to, the investment decisions made on your behalf. However, there may be instances where investment purchases for you are also made in an employee's account. In these situations we have implemented the following guidelines in order to ensure our fiduciary integrity:

1. No employee acting as an Investment Advisor Representative (RA), or who has discretion over your account, shall buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment, unless the information is also available to the investing public on reasonable inquiry. No employee of ours shall prefer his or her own interest to that of yours or any other advisory client.
2. We maintain a list of all securities holdings for all our access employees. Mr. Virji reviews these holdings on a regular basis.
3. We require that all employees act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
4. Bunched orders (See "Trading Allocation" above) can include employee accounts. In such cases, priority and advantage will be given to satisfy our clients' orders first regardless of the situation.
5. Any individual not in observance of the above may be subject to termination.

Personal trading activities are monitored by Mr. Virji to ensure that such activities do not impact upon your security or create conflicts of interest.

BROKERAGE PRACTICES

Custodial Services

The Company recommends TD AMERITRADE, Inc. ("TDA"), a licensed broker-dealer (member FINRA/SIPC/NFA), through their division TD AMERITRADE Institutional, to serve as custodian and broker

for certain client accounts. We also recommend Interactive Brokers to serve as custodian and broker for clients that have elected to be charged performance based fees and for our international clients. Interactive Brokers is a licensed broker-dealer and member of FINRA and SIPC.

Both TDA and Interactive Brokers offer us services, which include custody of securities, trade execution, clearance and settlement of transactions.

Our recommendation for you to custody your assets with TDA or Interactive Brokers has no direct correlation to the services we receive from TDA or Interactive Brokers and the investment advice we offer you, although **we do receive economic benefits for which we do not have to pay** through our relationship with TDA and Interactive Brokers that are typically not available to retail clients. This creates an incentive for us to recommend TDA and Interactive Brokers based on the economic benefits we receive rather than on your interest in receiving most favorable execution.

These economic benefits include, but are not limited to the following products and services provided without cost or at a discount:

- ❖ The ability to have advisory fees deducted directly from accounts;
- ❖ Access to an electronic communications network for order entry and account information;
- ❖ Receipt of duplicate client statements and confirmations;
- ❖ Research related products, tools and consulting services;
- ❖ Access to a dedicated trading desk;
- ❖ Access to batch trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to accounts);
- ❖ Access to mutual funds with no transaction fees and to certain institutional money managers.

We are not a subsidiary of, or an affiliated entity of, TDA or Interactive Brokers. We have sole responsibility for investment advice rendered, and our advisory services are provided separately and independently from TDA and Interactive Brokers.

The Adviser (through the General Partners) is deemed to have custody of certain assets of the Funds. All the Funds' certificated investment securities are held by the qualified custodian on behalf of the Fund. The Adviser does not use the qualified custodian to send quarterly account statements directly to the Funds or investors in the Funds. Each Fund is audited annually, and the annual audited financial statements of each Fund are sent to the Fund's investors.

Direction of Transactions and Commission Rates (Best Execution)

We have a fiduciary duty to put your interests before our own. The advisory support services we received from TDA and Interactive Brokers creates an economic benefit to us and a potential conflict of interest; in that, our recommendation to custody your account(s) with either firm can be influenced by these benefits. **This is not the case;** we have selected Interactive Brokers and TDA as our custodians of choice based on a number of factors, including but not limited to:

1. Their competitive transaction charges, trading platform, and on-line services for account administration and operational support.
2. Their general reputation, trading capabilities, investment inventory, their financial strength, and our personal experience working with their staff.

ShariaPortfolio has full discretion to place buy and sell orders with or through such brokers or dealers as it deems appropriate. Our general policy is to place your trades with the broker custodian selected (e.g., TDA or Interactive Brokers) and we will continue to do so as long as we believe that the broker custodian is providing the best overall deal for you and they remain competitive in relation to executions and the cost of each transaction ("best execution").

Since we do not recommend, suggest, or make available a selection of custodians other than TDA and Interactive Brokers, **you do not have to accept our recommendation to use TDA or Interactive Brokers** as your custodian. However, if you elect to use another custodian, **we may not be able to provide you complete institutional services.**

To help ensure that our clients are receiving best execution, we periodically (and no less often than annually) evaluate the trade execution and services provided by the broker/custodians we utilize.

Aggregating Trade Orders

Our objective in order execution is to act fairly, impartially, and to take all reasonable steps to obtain the best possible results for our clients. Therefore, we will not bunch (aggregate) orders for a block trade unless: (i) the bunching of orders is done for the purpose of achieving best execution; and, (ii) no client is systematically advantaged or disadvantaged by bunching the orders.

In consideration of these objectives, we will take into account the unique execution factors of the buy/sell order before bunching accounts for a block trade. A few of those factors are:

- ❖ **Security Trading Volume** - Bunching orders in a block trade can secure price parity and continuity for our clients during heavy trading activity.
- ❖ **Number of Clients** - The fewer the number of client accounts involved in the bunched order may not yield better pricing or order execution; it may be more advantageous to perform an individual market order for each client. In addition preparing individual market orders, for the small number accounts involved, may be quicker to complete than preparing a bunch order.
- ❖ **Financial Instruments** - The type of security involved as well as the complexity of order can affect our ability to achieve best execution.

If you would like additional information on our trading allocation policies, a copy is available for review upon request.

REVIEW OF ACCOUNTS

ITEM 13

Portfolio Management Reviews

Our basic service is active portfolio management and each account is reviewed daily, in the normal course of market observation, by Mr. Naushad Virji or the supervised person over your account. The general economy, market conditions, and/or changes in tax law can trigger more frequent reviews. Cash needs will be adjusted as necessary. Material changes in your personal/financial situation and/or investment objectives will require additional review and evaluation for us to properly advise you on revisions to previous recommendations and/or services. However, it is **your responsibility to communicate these changes** for us to make the appropriate corrections to your management account(s).

You will receive statements, at least quarterly, from TD AMERITRADE, Inc. ("TDA") where your account(s) are held in custody. You are encouraged to review the trading activities disclosed on your account statements which summarizes your portfolio account value, current holdings, and all account transactions made during the quarter. It is important for you to review these documents for accurate reporting and to determine whether we are meeting your investment expectations.

Oversight and Monitoring

Generally, the portfolio managers of the Fund review Fund accounts quarterly. These reviews will focus on appropriateness of the Fund's investments for the Fund's portfolio and the performance of the Fund.

Reporting

Investors in the Funds generally receive, among other things, a copy of audited financial statements of the relevant Fund within 120 days after the fiscal year end of the Fund. In addition, investors in each Fund may receive unaudited summary financial information regarding the Fund following the end of each financial quarter. Investors in the Funds also receive regular reporting updates through letters and investor meetings.

Retirement Planning Reviews

Performance Reports

On a periodic basis, we will provide the plan sponsor and named fiduciary with a written performance evaluation of the investment(s) (herein called the Performance Report). The Performance Report reviews the performance of the retirement plan expressed by various modern portfolio statistics that compare the performance of the investment funds to the guidelines called for by the Investment Policy Statement. The Performance Report provides historical and comparative information, and should not be relied upon as predictive of future performance.

Portfolio Manager Reports

We will review fund data for all the Portfolio Managers on at least an annual basis, with respect to their overall performance in achieving the desired objectives of the plan sponsor's Investment Policy Statement.

The written review is directed to whether the Portfolio Managers' performance and discipline is consistent with the intent and objectives of the Investment Policy Statement. We will provide information to facilitate comparisons of the Portfolio Managers' overall performance benchmarks described in the Plan's Investment Policy Statement.

CLIENT REFERRALS & OTHER COMPENSATION

ITEM 14

Referral Compensation

We do have arrangements in place where we compensate persons for client referrals provided such persons are qualified and have entered a solicitation agreement with us as required by Rule 206(4)-3 of the Investment Adviser Act of 1940, as amended. Under such arrangements, if a solicitor referred you, the solicitor will provide you complete information on our relationship - the relationship between the solicitor and us - and the compensation the solicitor will receive should you choose to open an account. This compensation will be paid solely from our fee and will not result in any additional charge to you. In addition, we will adhere to each state's rules and regulations where the solicitor resides prior to entering into any solicitation agreement with that person.

The solicitor is not licensed to give you any investment advice and therefore cannot advise you on the management of your account. A solicitor simply makes an introduction and is compensated

only if you were to open a management account with us under these arrangements.

Other Compensation (Indirect Benefit)

The Company receives an indirect economic benefit from TDA (See “Custodial Services” above under Item 12, “**Brokerage Practices**” for more detailed information on these services and products could be.).

CUSTODY

ITEM 15

Neither we nor any of our affiliates maintain physical possession of the funds or securities of any Fund. Physical custody of the assets of a Fund are maintained with a qualified custodian selected by us, in our exclusive discretion, which selection may change from time to time generally without the consent of investors in the Fund. Although neither we nor our affiliates have physical possession or custody of the assets of any Fund, under Rule 206(4)-2 of the Advisers Act (the “Custody Rule”), we are deemed to have “constructive” custody of the assets of the Funds by virtue of our and our affiliates relationships with the Funds. In order to comply with the Custody Rule, each Fund undergoes an annual audit performed by an independent accounting firm registered with, and subject to inspection by, the Public Company Accounting Oversight Board (PCAOB) and the audited financial statements are distributed to all investors in each Fund following the end of such Fund’s fiscal year.

Physical possession and custody of your funds and/or securities shall be maintained with TDA as indicated above in Item 12, “**Brokerage Practices**.”

We are however defined as having custody since you have authorized us to deduct our advisory fees directly from your account. Therefore, to comply with the United States Securities and Exchange Commission’s Custody Rule (1940 Act Rule 206(4)-2) requirements, and to protect you as well as to protect our advisory practice, we have implemented the following regulatory safeguards:

- ❖ Your funds and securities will be maintained with a qualified custodian (TDA) in a separate account in your name.
- ❖ Authorization to withdrawal our management fees directly from your account will be approved by you prior to engaging in any portfolio management services.

TDA is required by law to send you, at least quarterly, brokerage statements summarizing the specific investments currently held in your account, the value of your portfolio, and account transactions. **You are encouraged to compare the financial data contained in our report and/or itemized fee notice with the financial information disclosed in your account statement from TDA to verify the accuracy and correctness of our reporting.**

As discussed above, Shariaportfolio may provide monthly reports to the investors of the Fund that includes a summary of performance results. The clients are urged to compare the information in our monthly reports with that of the brokerage statements from the custodian. We encourage the clients to contact us if they have any questions regarding the information in our reports or the brokerage statements. Clients are also asked to promptly notify us if the custodian fails to provide statements on each account held.

INVESTMENT DISCRETION

ITEM 16

We have you complete our Investment Advisory Agreement which sets forth our authority to buy and sell securities in whatever amounts are determined to be appropriate for your account and whether such transactions are with, or without, your prior approval.

You may, at any time, impose restrictions, **in writing**, on our discretionary authority (i.e., limit the types/amounts of particular securities purchased for your account, exclude the ability to purchase securities with an inverse relationship to the market, limit our use of leverage, etc.).

In addition, the Adviser has discretionary authority to determine the investments to be bought or sold and the amounts to invest for each client, including the Fund under the governing documents of the Fund and other agreements.

VOTING CLIENT SECURITIES

ITEM 17

We do not vote client proxies. You understand and agree that you retain the right to vote all proxies solicited for securities held in your managed accounts. The custodian of your managed accounts will mail you all proxy solicitations. Any proxy solicitations inadvertently received by us will be immediately forwarded to you for your evaluation and decision.

However, if you have specific questions regarding an action being solicited by the proxy that you do not understand or you want clarification, you may contact us and we will explain the particulars. **Keep in mind we will not advise you in a direction to vote; the ultimate decision on how you vote is your responsibility and left to you to decide.**

FINANCIAL INFORMATION

ITEM 18

In 2020, due to a loss of income as a result of Covid-19, ShariaPortfolio received a loan under the Payroll Protection Program. While we do not believe that this financial commitment impairs our ability to meet contractual obligations to our clients, in the interest of providing full disclosure, we are including that information. ShariaPortfolio has no other financial commitments that may impair our ability to meet our contractual obligations to our clients.

We are not aware of any other financial conditions that are likely to impair our ability to meet our contractual commitments to you.