

Part 2A of Form ADV: *Firm Brochure*

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This brochure provides information about the qualifications and business practices of James Alpha Advisors, LLC (hereinafter “James Alpha” or “the Firm” or “we”). If you have any questions about the contents of this brochure, please contact us at (720) 213-3393 or at eanth@jamesalpha.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Although James Alpha is a registered investment adviser, registration itself does not require, and should not be interpreted to imply, any particular level of skill or training.

Additional information about James Alpha is available on the SEC’s website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. The CRD number for James Alpha is 281785.

Item 2 MATERIAL CHANGES

James Alpha Advisors, LLC, has a material change to disclose since the Other than Annual filing of our Form ADV Part 1 and 2A Brochure dated July 20, 2021. Effective August 2021, Mr. James S. Vitalie has been removed as an Officer of the firm on ADV Part 1 Schedule A/C.

In the future, this Item 2 will be amended as necessary to summarize material changes that can occur from time to time to the disclosures provided in this Brochure. We will seek to ensure that clients receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. We will provide interim disclosures about material changes as necessary.

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Item 4. Advisory Business

James Alpha's principal place of business is New York, New York. The Firm's principal owner is James Alpha Intermediate, LLC.

Mutual Funds

James Alpha serves as investment adviser to certain open-ended investment companies registered under the Investment Company Act of 1940 (hereinafter the "Mutual Funds" or "the Funds").

Interested investors should refer to the applicable Mutual Fund's prospectus for important information regarding objectives, investments, time-horizon, risks, fees, and additional disclosures. Prospective investors should carefully review the prospectus before making any investment in the Fund.

Assets

As of 12/31/2020 James Alpha held \$1,147,472,956 in assets under management on a discretionary basis.

Item 5. Fees and Compensation

James Alpha charges management fees to its clients for its investment management & consulting services.

Mutual Funds

The Mutual Funds' fee schedules are set forth in their respective prospectuses. Interested investors must refer to the applicable prospectus for important information regarding fees, expenses, and additional information. Prospective investors should carefully review the prospectus before making any investment.

Portfolio Management Services

The annual fee for Portfolio Management Services will generally be charged at 1.5% of percentage of assets under management, subject to James Alpha's discretion based on the complexity of the client's circumstances, investment needs, and the total amount of accounts or assets, among other considerations.

A minimum of \$250,000 of assets under management is generally required for this service. This minimum account size can be negotiable under certain circumstances subject to James Alpha's discretion. James Alpha can group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee.

As appropriate, James Alpha can also consider entering into a performance-based fee arrangement with a Portfolio Management Services client. Performance based

compensation is typically charged at 10% of the account's performance above an appropriate index or high-water mark as agreed.

In measuring the client's assets for the calculation of performance-based fees, James Alpha shall include: for securities for which market quotations are readily available, the realized capital losses and unrealized capital losses of securities over the period and, if the unrealized capital appreciation of the securities over this period is included, the unrealized capital depreciation of securities over the period. The client must understand the proposed method of compensation and its risks prior to entering into the contract. Please refer to additional disclosure regarding performance-based fee arrangements at Item 6 of this Disclosure Brochure.

All fee arrangements will be agreed to in writing upon entering into an advisory relationship.

Client accounts will be invoiced or directly debited, as authorized, in arrears at the beginning of each calendar quarter based upon the value (market value or fair market value in the absence of market value) of the client's account at the end of the previous quarter.

GENERAL INFORMATION:

Personal Investments: Certain executive officers and/or other employees of James Alpha can invest a portion of their personal net worth in one or more of the Mutual Funds. One or more officers of James Alpha have consented to investing a portion of their account managed by James Alpha in certain mutual funds which are managed by the firm.

Termination: An investor can withdraw all or any part of its investment from any of the Mutual Funds as set forth in the applicable Mutual Fund's Prospectus. Once assigned, the agreement between James Alpha and the Mutual Funds can be cancelled only as provided by the terms of the engagement.

Other Fees and Expenses: All fees paid to James Alpha for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds, ETFs and ETNs to their shareholders. In the case of mutual funds, these fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client could be subject to pay an initial or deferred sales charge.

While it is not anticipated that third party mutual funds will be included in the Fund portfolios, money market mutual funds can be used to 'sweep' unused cash balances until they can be appropriately invested.

Portfolio Management Services clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers. Such fees can include, but are not limited to, any transaction charges, fees for duplicate statements and transaction confirmations, and fees for electronic data feeds and reports. Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

General: Clients should note that similar advisory services could be available from other investment advisers for similar or lower fees.

Prospective investors in the Mutual Funds should refer to the appropriate Fund Prospectus for additional important information, terms, conditions, and risks involved with investing in the Mutual Fund.

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

As we disclosed in Section 5 of this brochure, James Alpha is able to enter into performance-based compensation arrangements with certain Portfolio Management Services clients. Performance-based compensation is calculated based on a share of capital gains on or capital appreciation of the assets in these clients' accounts. To qualify for this type of fee schedule, a client must either demonstrate a net worth of at least \$2 million or must have at least \$1 million under our management.

Clients and prospective clients should note that performance-based compensation can create an incentive for an adviser to recommend investments which can be riskier or more speculative than those which would be recommended under a different fee arrangement. Also, because the performance-based compensation is calculated on a basis which includes unrealized as well as realized appreciation of assets, it could possibly be greater than if such compensation were based solely on realized gains.

At this time, we do not have any such arrangements with any clients, but offer this advisory service to qualifying clients. These arrangements could have an incentive to favor accounts for which we charge performance-based fees over non-performance-based fee accounts. Moreover, in theory, we could also have an incentive to favor a client paying higher aggregate performance-based compensation or the accounts of officers and employees of the firm or their family members. As part of our fiduciary duty as a registered investment adviser, we would take the following steps to address and mitigate these conflicts:

- We disclose to clients and prospective clients the existence of material conflicts of interest, including the potential for our firm and employees to earn more compensation from some clients than others;
- We collect, maintain and document accurate, complete and relevant client background information to ensure that any client charged a performance-based fee is qualified for such a fee arrangement and that our management of the account is appropriate for the client's financial goals, objectives, and risk tolerance;
- We manage accounts and clients on a client-by-client and account-by-account basis and monitor portfolio activity and personal trading for the firm's trading and investment activities; and
- We educate our employees regarding our responsibilities as a fiduciary, including the equitable treatment of all clients, regardless of their fee arrangement.

Performance-based compensation will only be charged in accordance with the provisions of Rule 205-3 of the Investment Advisers Act of 1940 and/or applicable state regulations.

Item 7. Types of Clients

James Alpha provides advisory services to registered investment companies.

As previously disclosed in item 5, our firm has established certain initial minimum account size requirements for establishing and maintaining an account, based on the nature of the service(s) being provided as well as a minimum annual fee. For a more detailed understanding of those requirements, please review the fee disclosures provided for each applicable service.

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

METHODS OF ANALYSIS:

The firm currently utilizes a proprietary system that combines both a qualitative and quantitative factor-based methodology.

The firm could use any of the following methods of analysis from time to time in the management of client portfolios. James Alpha uses some or all of the investment methodologies described here. There is no assurance that James Alpha's application of these methodologies will be successful, nor is there assurance that the information and data upon we rely on will always be fully accurate and unbiased.

Fundamental Analysis: Fundamental analysis attempts to measure the intrinsic value of a security by examining macroeconomic and financial factors (including the overall economy, industry conditions, the financial condition and management of the company itself) to determine if the company is underpriced (indicating it is a good time to consider to buy) or overpriced (indicating it is good time to consider to selling). In evaluating the attractiveness of long equity investments, we generally focus on one or more of the following:

- *Asset, cash flow, and earnings- based valuation:* Traditional valuation parameters, such as price/earnings ratios, price/cash flow, price/sales, price/book, price/asset replacement value, and price/liquidation value, are used to analyze individual portfolio companies. In the case of restructurings or other similar changes in corporate form, company financial statements are adjusted to reflect the true economics of the firm. Particular attention is directed at free cash flow, as the General Partner believes that changes in cash flow dynamics often precede significant corporation activity.
- *Competitive dynamics, market position, and opportunities for profitable reinvestment of cash:* The competitive dynamics of the industry and the market position of a company within the industry are assessed. Does the firm have a dominant market position? Is competition increasing? Can the firm reinvest its cash flow at above-average rates of return?
- *Management capability and intent:* The management of each portfolio company is evaluated carefully. Does management have a plan and does management's track record indicate that they can execute on the plan? Is management profit- oriented and do they demonstrate intent to run the company for the benefit of shareholders?
- *Catalysts:* Is there a potential catalyst, such as reorganization, restructuring, spin-

off, merger or acquisition, or other extraordinary corporate transaction, that will expose the true value of either a long or short investment?

An inherent risk when using fundamental analysis is that this methodology does not attempt to anticipate short term market movements though the price of a security can and often does move up and down along with the overall market regardless of the economic and financial factors considered by us in evaluating the particular security. Nevertheless, we believe that fundamental analysis should prevail over time and that with proper price discipline, absolute returns consistent with the Funds' objectives can be generated.

Technical analysis: We can also analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement. Technical analysis includes both cyclical analysis and charting.

Cyclical analysis: In this type of technical analysis, we measure the movements of a particular stock against the overall market in an attempt to anticipate the price movement of the security.

Charting: In this type of technical analysis, we review charts of market and security activity in an attempt to identify when the market is moving up or down and to predict when how long the trend could potentially last and when that trend might reverse.

A risk of technical analysis is that it does not consider the underlying financial condition of a company. This presents the possibility that, without further fundamental analysis, a poorly-managed or financially unsound company will underperform the market in the long term regardless of market movement or momentum.

Quantitative analysis: As appropriate, we use mathematical models in an attempt to obtain more accurate measurements of a company's quantifiable data, such as the value of a share price or earnings per share, and predict changes to that data.

A risk in using quantitative analysis is that the models used can be based on assumptions that prove to be incorrect.

Qualitative analysis: We subjectively evaluate non-quantifiable factors such as quality of management, labor relations, and strength of research and development factors not readily subject to measurement, and predict changes to share price based on that data.

A risk in using qualitative analysis is that our subjective judgment could prove incorrect.

Subadviser analysis. It is our policy and practice to conduct initial due diligence with respect to any investment manager considered for engagement as a subadviser and to monitor any selected investment manager on an on-going basis to determine and evaluate the portfolio management team's background, experience and philosophy; the process by which the manager makes investment decisions; how those decisions are implemented; the manager's investment track record in both up and down markets; the manager's risk management controls, parameters and evaluation process, and the adequacy and effectiveness of the manager's operational and compliance controls and infrastructure.

A risk of investing in a Mutual Fund managed by a subadviser selected after appropriate

due diligence is that a subadviser that has been successful in the past may not be able to replicate that success in the future. In addition, as we do not control the subadviser's daily business and compliance operations, it is possible for us to miss the absence of internal controls necessary to prevent operational, regulatory, or reputational deficiencies.

Risks for All Forms of Securities Analysis: Our analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data could be incorrect, there is always a risk that our analysis can be compromised by inaccurate or misleading information.

INVESTMENT STRATEGIES:

The following investment strategies could be used when managing client assets.

Long-Term Purchases: We purchase securities with the idea of holding them in the Fund as an investment. We would do this because we believe the securities to be currently undervalued.

A risk in a long-term purchase strategy is that, by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security could decline sharply in value before we make the decision to sell.

Short-term purchases: We can also purchase securities with the idea of selling them within a relatively short time, typically a year or less. On occasion, we could even purchase securities with the intention of selling them within 30 days or less. We typically will make short term purchases in an effort to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

A risk in a short-term purchase strategy is that, should the anticipated price swing not materialize, we are left with the option of having a long-term investment in a security that was intended to be a short-term purchase, or potentially taking a loss. In addition, this strategy involves more frequent trading than does a longer-term strategy, and will result in increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

Short Sales: We can borrow shares of a stock on behalf of a Fund from another who owns the stock with a promise to replace the shares on a future date at a certain price. Those borrowed shares are then sold. On the agreed-upon future date, we buy the same stock and return the shares to the original owner. Short positions in equity securities are typically in companies that are believed to be overvalued relative to the market, have weak market positions, participate in increasingly competitive marketplaces, have poor management that destroy or inhibit growth in value, or have weakening cash flows and precarious balance sheets. We engage in short selling based on our determination that the stock will go down in price after we have borrowed the shares. If we are correct and the stock price has gone down since the shares were purchased from the original owner, the client account realizes the profit.

Short selling results in some unique risks:

- *Losses can be infinite.* A short sale loses when the stock price rises, and a stock

is not limited (at least, theoretically) in how high it can go. For example, if you short 100 shares at \$50 each, hoping to make a profit but the shares increase to \$75 per share, you'd lose \$2,500. On the other hand, the price of a stock cannot fall below \$0, which limits your potential upside.

- *Short squeezes can wring out profits.* As stock prices increase, short seller losses also increase as sellers rush to buy the stock to cover their positions. This increase in demand, in turn, further drives the prices up.
- *Timing.* Even if we are correct in determining that the price of a stock will decline, we run the risk of incorrectly determining when the decline will take place, i.e., being right too soon. Although a company is overvalued, it could conceivably take some time for the price to come down; during which you are vulnerable to interest, margin calls, etc.
- *Inflation.* History has shown that over the long term, most stocks appreciate. Even if a company barely improves over time, inflation should drive its share price up somewhat. In fact, short selling may not be appropriate in times of inflation for that very reason, as prices can adjust upwards regardless of the value of the stock.

Leveraged Transactions: We can purchase stocks for the Funds with borrowed money. This allows us to purchase more stock than we would otherwise be able to with the Funds' available cash, and allows us to purchase stock without selling other holdings.

A risk of leveraged transaction is that, in volatile markets, securities prices can fall very quickly. If the value of the securities in your account minus what you owe the broker falls below a certain level, the financial institution will issue a "margin call", and you will be required to sell your position in the security purchased on margin or add more cash to the account. In some circumstances, you could potentially lose more money than you originally invested.

Option Writing: From time to time as we deem appropriate, and in accordance with the investment mandate for the Funds, we can also use options as an investment strategy. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset. The two types of options are calls and puts:

A call gives us the right to buy an asset at a certain price within a specific period of time.

We will buy a call if we have determined that the stock will increase substantially before the option expires.

A put gives us the holder the right to sell an asset at a certain price within a specific period of time. We will buy a put if we have determined that the price of the stock will fall before the option expires.

We will use options to speculate on the possibility of a sharp price swing. We will also use options to "hedge" a purchase of the underlying security; in other words, we will use an option purchase to limit the potential upside and downside of a security we have purchased for your portfolio.

We can use “covered calls,” in which we sell an option on security you own. In this strategy, you receive a fee for making the option available, and the person purchasing the option has the right to buy the security from you at an agreed-upon price.

A risk of covered calls is that the option buyer does not have to exercise the option, so that if we want to sell the stock prior to the end of the option agreement, we have to buy the option back from the option buyer, for a possible loss.

We can also use options to implement a “spread strategy,” in which we purchase two or more option contracts (for example, a call option that you buy and a call option that you sell) for the same underlying security. This effectively puts you on both sides of the market, but with the ability to vary price, time and other factors.

A risk of spread strategies is that the ability to fully profit from a price swing is limited.

OTC Securities: We can invest in swaps, forwards and certain options or other bilateral contracts not traded over or regulated by an exchange. Such investments are subject to the risk of nonperformance by the counterparty to the transaction including risks relating to the financial soundness and creditworthiness of the counterparty.

Risks in General: Securities investments are not guaranteed and you could lose money on your investments. Investors or prospective investors should carefully review the funds current prospectus and statement of additional information, or for any of our funds under consideration for investment for a detailed explanation of many of the risks associated with investment.

Item 9. Disciplinary Information

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Neither our firm nor our management personnel have reportable disciplinary events to disclose.

Item 10. Other Financial Industry Activities and Affiliations

Principals of James Alpha own FDX Capital LLC, a FINRA registered broker dealer that shares its' principal office with James Alpha. Neither James Alpha, nor any subadviser engaged on behalf of the Funds, enter trades for the Funds through FDX Capital LLC. FDX Capital LLC, however, has been engaged to provide marketing and placement services on behalf of the Funds. (Refer to Item 14 of this Brochure for additional information). James Alpha also reimburses FDX Capital for various marketing related expenses of FDX employees engaged in marketing and distributing interests in the Funds.

Item 11. Code of Ethics, Participation in Client Transactions and Personal Trading

Our Firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws. Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our Code provides for oversight, enforcement and recordkeeping. A copy of our Code of Ethics is available to our advisory clients and prospective clients, upon request to the Chief Compliance Officer via email at earth@jamesalpha.com by phone at 720-213-3393 or by mailing your request to the firm's principal office address.

Certain executive officers and/or other employees of our firm can invest in one or more of the same or similar securities for which we invest on behalf of our clients.

It is the expressed policy of our firm that no person employed by us can usurp an investment opportunity which can be appropriate for one or more of the Funds without first presenting the opportunity to our investment team, particularly when there is limited availability for participation in the opportunity.

As these situations represent a conflict of interest, we have established the following restrictions in order to ensure our fiduciary responsibilities:

- No officer or employee of our firm can prefer his or her own interest to that of an advisory client.
- We maintain a list of all securities holdings for our firm and anyone associated with this advisory practice with access to advisory recommendations, Fund holdings or trading information. These holdings are reviewed on a regular basis by the Chief Compliance Officer.
- All of our principals and employees must act in accordance with applicable Federal and State regulations governing registered investment advisory practices.
- Any individual not in observance of the above can be subject to disciplinary action up to and including termination.

Our Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information should not be used in a personal or professional capacity.

The Investment Advisers Act of 1940 makes it unlawful for any investment adviser, directly or indirectly, acting as principal for its own account, to knowingly sell any security to, or purchase any security from, a client without disclosing to the client in writing the capacity in which the adviser is acting and obtaining the client's consent to the transaction.

James Alpha has adopted specific policies and procedures prohibiting the firm from engaging in principal transactions.

Item 12. Brokerage Practices

James Alpha will endeavor to select those brokers or dealers which will provide the best services at the lowest commission rates possible. The reasonableness of commissions is based on the broker's stability, reputation, ability to provide professional services, competitive commission rates and prices, research, trading platform, and other services which will help James Alpha in providing investment management services to clients. James Alpha can, therefore use a broker who provides useful research and securities transaction services even though a lower commission could be charged by a broker who offers no research services and minimal securities transaction assistance. Research services could be useful in servicing all our clients, and not all of such research may be useful for the account for which the particular transaction was effected.

As disclosed at Items 4 and 8, we do engage subadvisors to manage all or a portion of a fund. Each such subadviser will have its own policies, practices and procedures with respect to brokerage. As part of its due diligence of subadvisors, James Alpha will generally seek to ensure that any subadviser engaged by the firm has adopted policies and procedures reasonably designed to ensure that the subadviser will seek best execution for trades placed in client accounts and that the subadviser endeavors to select brokers, dealers or other counterparties that will provide the best services at the lowest commission rates possible under the circumstances. It should be noted, however, that we do not have any direct influence or control over any subadvisers' selection of brokers, dealers or counterparties when executing transactions.

We do not have any formal or informal soft-dollar arrangements and do not receive any soft-dollar benefits from any broker, dealer or other counterparty. However, some of our subadvisors engaged could, and as part of our due diligence process we would seek to ensure that they are complying with Section 28(e) safe harbor of the Securities Exchange Act of 1934.

Trade Aggregation:

As a general policy, we will seek to aggregate trades among clients transacting in the same securities at roughly the same time when doing so is advantageous to clients.

Aggregating trades permits some advisers to trade blocks of securities composed of assets from multiple client accounts so long as transaction costs are shared equally and on a pro-rated basis between all accounts included in any such block.

Should transactions for James Alpha Advisors, LLC, its employees or principals ("proprietary accounts") ever be aggregated with Fund transactions, conflicts of interest arise and special policies and procedures must be adopted to disclose and address these conflicts. As such, it is the Firm's policy that, other than to the extent that James Alpha Advisors, LLC employees and principals are investors in the Funds, trades in proprietary accounts are not aggregated with trades entered for the Funds.

Internal Cross Transactions

In effecting cross transactions, James Alpha Advisors' and/or the subadvisors seek to reduce the transaction costs to its funds of such account adjustments. All such cross trades will be consistent with the investment objectives and policies of each client involved in the trades, and will be effected at a current independent market price of the securities involved in the trades determined by the Investment Manager and/or the Sub-Advisor. The funds involved in such cross trades will not pay any brokerage commissions or marks up in connection with the trades, but will pay customary transfer fees (i.e. aggregate ticket

charges) that are assessed through any unaffiliated broker dealers through which the trades are effected. Cross trades will not be effected if Investors holding a majority of the Interests not held by affiliates of the investment advisor and /or the sub-advisor revoke such authority.

The adviser must ensure that a cross trade achieves best execution for funds and/or clients, and that no fund or client is disadvantaged by the transaction. Furthermore, the adviser must be careful to avoid cross trades with funds in which the Adviser, its employees and/or its controlling persons hold significant positions (i.e., aggregate ownership of 25% or more) as such transactions could be characterized as principal transactions by regulators. James Alpha's policy and practice is to not engage in any principal transactions, and the Firm's policy is appropriately disclosed to relevant individuals including the COO, CIO, and Trader.

The firm can consider engaging in cross trades if all the Safe Harbor conditions of the Investment Company Act Rule 17a-7 are adhered to and in the best interest of the funds.

Item 13. Review of Accounts

Mutual Funds

The Funds are reviewed regularly by James Alpha's investment professionals. The firm monitors financial, operational and risk factors that are or may be relevant to the respective funds.

Investors and prospective investors in the Mutual Funds should refer to the prospectus for important information regarding reviews and regular reports provided to the Fund trustees and/or investors by James Alpha.

Item 14. Client Referrals and Other Compensation

James Alpha has entered into arrangements to compensate certain affiliated and unaffiliated persons for referring investors to the Mutual Funds, including FDX Capital, LLC, an affiliated broker dealer sharing office space with James Alpha. Pursuant to these arrangements, if an investor is introduced to a Mutual Fund by either an affiliated or unaffiliated person, and the referred investor makes an investment in such Fund, we will compensate that person through the payment of a one-time commission and/or a trailing fee following the referred investor's initial investment in the Fund. Both the commission and trailing fee are paid by James Alpha rather than the applicable Mutual Fund and, therefore, these arrangements neither increase the investment cost of any investor nor the fees and expenses paid by the Fund. James Alpha also reimburses its affiliate, FDX Capital, LLC, for various marketing related expenses of FDX employees engaged in marketing and distributing interests in the Mutual Funds.

James Alpha has entered into an arrangement to compensate Easterly Securities LLC ("Easterly Securities") for referring investors to the Mutual Funds. Darrell Crate, the CEO of James Alpha, is a control person of Easterly Securities. Pursuant to this arrangement, Easterly Securities will be entitled to reimbursement for costs related to its associated persons.

In theory, the payment of compensation for investor referrals can create a potential conflict of interest to the extent that such a referral is not unbiased and the referring party is, at least partially, motivated by financial gain. As this situation can present a conflict of interest, we strive to ensure that all such compensation is paid in accordance with applicable regulatory requirements, and that we provide fair disclosure of such conflicts or potential conflicts of interest.

Item 15. Custody

James Alpha does not maintain direct, physical custody of client assets. Custody of client assets is the responsibility of a qualified custodian or broker-dealer always. If James Alpha inadvertently came into possession of any client cash or securities it will return them to the client or handle in such other way as may be required under applicable regulation.

Item 16. Investment Discretion

James Alpha has been granted the discretionary authority in the relevant advisory agreements entered into (or assigned by) each client to determine which securities and the amounts of securities that are bought or sold for the Funds.

Item 17. Voting Client Securities

James Alpha is granted the authority and responsibility to vote proxies solicited by the issuers of securities held in client accounts. James Alpha and its subadvisors will vote proxies in the best interest of clients, typically with the goal of maximizing value. James Alpha and each such subadvisor will have its own policies, practices, and procedures with respect to proxy voting.

Voting Guidelines for the James Alpha Advisors Internally Managed Accounts

- James Alpha Advisors has engaged the services of a third-party service provider (Broadridge) to vote client proxies subject to written guidelines provided by James Alpha Advisors and in conformity with our Proxy Voting Policy.
- The internally managed funds primarily invest in unaffiliated ETF's and mutual funds, and the funds rely on exemptive order 12(d)(1)(F) of the 1940 Act. The acquiring fund is required to vote in the same proportion as the shareholders of the acquired fund. Notwithstanding the guidelines provided in these procedures, it is the policy of James Alpha Advisors to vote all proxies received from the Underlying Funds in the same proportion that all shares of the Underlying Funds are voted, or in accordance with instructions received from fund shareholders, pursuant to Section 12(d)(1)(F) of the 1940 Act. After properly voted, the proxy materials are placed in a file maintained by the Chief Operations Officer for future reference.
- Proportional Voting Under a proportional voting system, uninstructed shares are voted in the same proportion as instructed shares, with no minimum amount of instructed shares being required. The method of calculating the proportional vote in terms of identifying unvoted accounts is determined by each firm. In some cases,

proportional voting is applied to all unvoted shares and in other cases proportional voting is applied only to unvoted retail accounts. The proportional vote is calculated by taking the actual vote returns and calculating the percentage of "For," "Against" and "Abstain/Withhold" votes. The percentages for each of these categories are then applied to the remaining unvoted shares, and those shares are applied to the appropriate voting category. The proportional vote is issued two (2) business days prior to the meeting date. The proportional shares will be adjusted and recalculated, as necessary, if additional instructed shares are received from the shareholders after the initial proportional vote is issued.

As part of James Alpha's due diligence of the subadvisors, the firm will seek to ensure that any subadvisor engaged by the firm has adopted policies and procedures that govern how proxies are voted. Both James Alpha and its subadvisors policies and procedures are required to address the handling of conflicts of interest that may arise in the voting of proxies. To that end, our firm endeavors to vote proxies in the manner that it determines in good faith will be the most likely to cause the Funds' investments to increase the most or decline the least in value. Consideration is given to both the short and long-term implications of the proposal to be voted on when considering the optimal vote. James Alpha's complete proxy voting policy and procedures has been memorialized and is available for investors to review upon request of the Chief Compliance Officer via email at eanth@jamesalpha.com by phone at (720) 213-3393, or by mailing your request to the firm's principal office address.

Item 18. Financial Information

Under no circumstances will we earn fees in excess of \$1,200 more than six months in advance of services rendered, and as such, we are not required to include a financial statement with this Brochure.

James Alpha has not been the subject of a bankruptcy petition at any time during the past ten years.