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Form ADV Part 2A – Wrap Fee Brochure

July 27, 2021

This wrap fee program brochure (this “Brochure”) provides information about the qualifications and business practices of Bright Capital Advisors, LLC (CRD # 315783 (“Bright Capital” or “Firm”). If you have any questions about the contents of this Brochure, please contact us via email at support@brightmoney.co. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Bright Capital is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. The oral and written communications of an adviser provide you with information that you may use to determine whether to hire or retain them.

Additional information about Bright Capital is also available on the SEC’s website at www.adviserinfo.sec.gov. You can search this site by using a unique identifying number, known as a CRD number. The CRD number for Bright Capital is 315783. The SEC’s website also provides information about any persons affiliated with Bright Capital who are registered, or are required to be registered, as investment adviser representatives of Bright Capital.

Item 2 – Material Changes

This document is the initial Part 2A of Form ADV: Firm Brochure (the “Brochure”) for Bright Capital. Pursuant to SEC requirements and rules, you will receive a summary of any material changes to this Brochure within one hundred twenty days of the close of Bright Capital’s fiscal year.

This Brochure may be requested at any time, without charge, by contacting Bright Capital at support@brightmoney.co or by checking our website at www.brightmoney.co.

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Item 4 – Services, Fees and Compensation

Bright Capital was formed on June 1, 2021. Additional information about Bright Capital is available on the SEC’s website at www.adviserinfo.sec.gov. You can search this site by using a unique identifying number, known as a CRD number. The CRD number for Bright Capital is 315783. The SEC’s website also provides information about any persons affiliated with Bright Capital who are registered, or are required to be registered, as investment adviser representatives of Bright Capital.

Bright Capital is a registered investment adviser (“RIA”) that offers automated internet and mobile phone-based investment advisory services to its advisory clients (each a “Client,” and collectively, “Clients”). Bright Capital provides portfolio management services for Client accounts exclusively through an online interface and mobile phone application. Bright Capital offers to manage Client assets on a discretionary basis; it does not offer to manage client assets on a nondiscretionary basis.

Bright Capital is a privately held company headquartered in San Francisco, California. Information about Bright Capital’s organizational and ownership structure is provided on Part 1 of Bright Capital’s Form ADV, which is available online at <http://www.adviserinfo.sec.gov>.

Wrap Fee Program and General Description of Services

Bright Capital utilizes its web-based platform to collect personal investment criteria with respect to Client profiles, with a view toward assessing Clients’ risk tolerances to determine appropriate investment strategy and to provide discretionary investment advisory services to its Clients in a program that bundles or “wraps” services together (the “Program”). The services included in the wrap are advisory, trade, execution, clearance, custody and reporting. Bright Capital interacts with its Clients primarily through a software application, “Bright Money”, that is available through mobile platforms, which can be downloaded in the iOS and Android App stores (the “Application”). The advisory services are delivered solely through the Application. Bright Capital does not provide investment advice in person or over the phone or in any manner other than through the Application. Additional information about Bright Capital’s products and services is provided in Bright Capital’s Form ADV Part 1 available at <http://www.adviserinfo.sec.gov>. Bright Capital encourages visiting its website, www.brightmoney.co for additional information.

Clients utilize the Application to access automated, discretionary investment advice from Bright Capital, which seeks to help them meet their financial goals, within their respective investment risk and financial parameters. Each Client inputs their personal information, including age, financial resources, and investment goals and objectives via an interactive questionnaire within the Application. Bright Capital will utilize the information from the questionnaire to tailor its investment recommendations in accordance with Clients’ investment risk and financial parameters and objectives. The Application will then automatically invest Client assets in one of its three model portfolios - Moderate, Conservative and Growth - constructed using low-cost, exchange traded funds (“ETFs”). Bright Capital provides investment advice only with respect to a limited type of investment, ETFs. Clients may impose restrictions on investing in certain securities or types of securities and may modify the portfolio strategy into which they have been allocated. Clients should understand the portfolios and software rely upon the information provided by the Client and Bright Capital does not capture any additional information not covered in the questionnaire in making its risk assessment and providing its investment advice.

Bright Capital creates investment portfolios and directly manages accounts for Clients. Bright Capital has the authority to manage Client accounts on a discretionary basis. Clients should understand the Program is a discretionary investment advisory program, and not a self-directed brokerage service. Unlike self-directed brokerage accounts, Clients do not enter individual buy and sell orders for specific securities to be executed at particular times. Rather, Bright Capital places orders to buy and/or sell securities consistent with the discretionary authority granted to it by Clients, which includes, among other things, the authority to select which securities to buy and sell and when to place orders for the execution of securities. If you want to control the specific time during the day that securities are bought and sold in your account (e.g., you want the ability to “time the market”), you should not use Bright Capital’s service. Bright Capital trades in Client accounts for any number of reasons, including in response to Client actions such as deposits or withdrawals. Bright Capital also trades in order to change investment options or otherwise to further the investment objectives that Clients specify via the Application.

Clients are prompted to update their information through the Application on an annual basis if there are changes to their financial situation, goals, objectives, personal circumstances, time horizon or if other relevant information changes or becomes available.

The investments in each Client’s account are held in a separate account, as explained further below, in the name of the Client at an independent custodian, and not with Bright Capital. All accounts managed through the Application are required to use Alpaca Securities LLC (“Alpaca”) as the independent custodian, as well as for clearing and execution services.

The ETF shares purchased or sold on behalf of a Client and/or held in Client accounts may be either whole shares or fractional shares. Bright Capital enables dollar based investing, whereby Bright Capital can buy a fixed dollar amount rather than whole shares. Bright Capital aggregates all dollar based purchases and places whole share orders for executions. Thereafter, Bright Capital allocates the fractional shares to the individual Client accounts. Fractional shares, however, are typically not transferrable outside of a Client’s account because the financial system in the United States currently is structured only to accommodate transfers of full shares. As a result, fractional shares may not be marketable or transferrable to another brokerage account. In the event of a liquidation or transfer of the assets in a Client’s Bright Capital account to another account, Bright Capital may convert such fractional shares to cash.

Clients will receive Bright Capital’s Advisory Agreement, which further details the services Clients will receive, fees charged to Clients, and the conditions of the Bright Capital-Client relationship. Importantly, Bright Capital does not provide overall financial planning services, nor does it provide legal or tax advice.

Fees and Compensation

Bright Capital Inc., Bright Capital’s parent company, charges a single monthly subscription fee of \$14.99 per month (the “Subscription Fee”) and this fee includes access to savings services offered by Bright Capital Inc. as well as the investment services provided by Bright Capital described herein. Certain clients of Bright Capital Inc. may pay a lower monthly Subscription Fee. Bright Capital Inc. users are not charged any additional fees for becoming Bright Capital clients and receiving Bright Capital’s investment services. The Subscription Fee is not based upon

transactions in a Client account, but rather is a bundled fee, which includes the costs for advisory services, execution, clearance, custody and account reporting.

The Subscription Fee is payable monthly in arrears for all accounts held with Bright Capital Inc. including those that have selected the investment option and added funds to the investment account. A Client will be charged the Subscription Fee even if there are no funds in its investment account. Fees will be paid from a Client's principal account with Bright Capital Inc.

In the event a Client does not pay the Subscription Fee, Bright Capital reserves the right to terminate a Client's access to its advisory services. Termination of accounts will be undertaken at Bright Capital's sole discretion. Each Client may also terminate its account at any time. Upon full termination of a Client's investment account and deselection of the investment option, assets are liquidated as soon as practicable, and money is returned to the Client less any fees due and owing, if applicable.

Bright Capital Inc. reserves the right to waive the Subscription Fee for any period for any Client in Bright Capital Inc.'s sole discretion. To this end, Bright Capital Inc. may, from time to time, elect to launch programs or initiatives whereby the Subscription Fee may be waived, in whole or in part, for certain categories of Clients. Any such program or initiative (i) is entirely discretionary to Bright Capital Inc., and may be expanded, narrowed, suspended, cancelled or modified at any time by Bright Capital Inc.; and (ii) will be subject to any rules, guidelines and/or terms and conditions created by Bright Capital Inc. in connection therewith (which rules, guidelines and/or terms may be included in Application landing pages on the Application and/or elsewhere). To the extent any such program or initiative is canceled or terminated, Clients will once again be charged the then-current Subscription Fee on a going-forward basis. Bright Capital Inc. shall have sole discretion in determining whether or not any existing Client or potential Client meets the requirements to participate in and/or benefit from any such program or initiative, and Bright Capital Inc. shall not be liable to the Client or any other party in connection with any such decision and/or in connection with the administration of any such program or initiative generally.

Clients should understand that the wrap fee program was designed for frequent investing and therefore, the fee structure might not be appropriate for individuals intending to make only a few and/or infrequent small-dollar investments. The \$14.99 per month Subscription Fee may constitute a significant fee on a percentage basis, depending on the amount a Client has invested. This may potentially be a greater fee than the Client would pay to other investment advisers which permit Clients to invest such an amount.

The Program bundles or "wraps" services together. Bright Capital believes the price for its Program is reasonable considering the quality and scope of the services it provides and the fees charged by other investment advisers offering similar services/programs. However, by participating in a wrap fee program, Clients may end up paying more or less than they would through a non-wrap fee program where trade execution costs are passed directly through to the Client by the executing broker. In that scenario, Clients would be responsible for any fees charged by other parties, including the custodian, clearing and executing broker, Alpaca. Clients could also invest in ETFs and other securities directly without Bright Capital's services. In that case, Clients would not receive the services provided by Bright Capital, which are designed, among other things, to determine which investments are appropriate for the portfolio and the Client's account.

The Program includes all trade charges applicable to an account. However, the Subscription Fee does not include other related costs and expenses. A Client may incur certain charges imposed by custodians and other third parties. These include transfer fees, administrative fees and other fees and taxes on brokerage accounts and securities transactions. The issuer of some of the securities or products purchased for Clients (i.e., ETFs) may charge product fees that affect Clients. An ETF typically includes embedded expenses that may reduce the fund's net asset value, and therefore directly affect the fund's performance and indirectly affect a Client's portfolio performance or an index benchmark comparison. These fees are in addition to the Subscription Fee. Clients should review all fees charged to fully understand the total amount of fees they will pay.

Item 5 – Account Requirements and Types of Clients

The Program is designed to provide investment advisory services to individuals. Clients are not required to have a certain level of investment experience, personal wealth, or sophistication.

There are no minimum or maximum account size requirements. However, Bright Capital reserves the right to impose a minimum or maximum account size or value in the future at its discretion.

Participation in the Program requires that the Client successfully complete a new account application, including submitting various personally identifiable information required by U.S. federal law. Clients approved for an investment advisory account must maintain a brokerage account at Bright Capital's custodian, Alpaca.

Item 6 – Portfolio Manager Selection and Evaluation

Portfolio Managers and Advisory Business

Bright Capital's business is the investment advisory services provided through the Program. Please refer to Item 4 for information pertaining to our advisory business.

Bright Capital exercises discretion over Client accounts or Client assets. Bright Capital automatically invests Client assets in ETF portfolios for clearing and execution through Alpaca.

The Program offers three model portfolios - Moderate, Conservative and Growth. The Application will suggest a model portfolio for each Client based upon responses to Bright Capital's investor questionnaire, which includes questions regarding a Client's investment objectives and risk and financial parameters. For example, more conservative risk scores are typically associated with a portfolio that has a greater percentage of assets allocated to fixed-income and cash asset classes, rather than to the equity asset class. However, more aggressive risk scores are typically associated with a portfolio that has a greater percentage of assets allocated to the equity asset class, rather than to fixed-income and cash asset classes.

Bright Capital's internal selection criteria includes, but is not limited to, assessing an ETF's exposure to a given asset class or sector, how well the ETF tracks its benchmark, the ETF's management fee, the liquidity prospect of the ETF or other security vis-à-vis Bright Capital portfolios and the management of the ETF. ETFs themselves are managed by the relevant fund manager/sponsor. Bright Capital does not manage, control or receive compensation from ETFs or other managers.

The ETFs that comprise Client portfolios are selected via Bright Capital's internal selection criteria. The ETFs that track the model portfolios may be rebalanced from time to time by the relevant fund manager/sponsor. New ETFs may be added to certain model portfolios without notice to a Client and for reasons including, but not limited to, updates to the model portfolios, market performance or cash inflow/outflows. There are inherent risks to the use of model portfolios which may result in loss of capital. Each Client's account performance will be calculated through a time-weighted return.

A Client may select an alternate model and adjust their model selection at least once per year based on their investment objectives and risk and financial parameters. If a Client wishes to select an alternate model, the Application will generate a prompt to inform them that the portfolio chosen was not recommended based upon their responses to the investor questionnaire in the Application. A Client is required to acknowledge the risk of selecting an alternate model before the change is affected in the Application. If a Client amends their responses to the investor questionnaire, then their risk tolerance and model recommendation will be recalculated.

Performance-Based Fees and Side-by-Side Management

Bright Capital does not charge any performance-based fees that are based on a share of capital gains on or capital appreciation of the assets of a Client.

Methods of Analysis, Investment Strategies and Risk of Loss

Bright Capital selects ETF portfolios as the investment available through the Application because of their transparency, liquidity, fee models and diversification. Bright Capital's portfolios are designed to help promote diversification and long-term growth as appropriate within the context of Client-specific risk tolerance and investment time horizon.

Bright Capital's investment advice is primarily based on the following principles: (i) equities, as an asset class, generally have a high probability of outperforming other broadly accessible and liquid asset classes in the long-term; (ii) adjusted for fees, low cost ETFs, generally outperform high cost (e.g., alpha-seeking) active funds; (iii) fixed income assets hedge portfolios against equity drawdown (i.e., negative returns); (iv) diversification across asset classes reduces the volatility of investment performance; and (v) adapting investment advice to an investor's emotional biases and personal beliefs results in a greater commitment to consistent investing on the part of the investor.

Bright Capital employs a variety of approaches when considering which ETFs to include. Bright Capital's primary sources of information for such considerations include, among others, data provided by third-party data providers and Client portfolio information from Alpaca, the third-party custodian. The ETFs made available through the Program represent exposure to a broad array of strategies, asset classes and industries.

Bright Capital may add, remove, re-categorize or replace investments offered by the Program without any notice to its Clients. In the event an investment is removed and replaced with another substantially similar investment, Bright Capital will liquidate Client positions to cash and recommend reinvestment in the replacement investment. In the event an investment is re-categorized from a suitability standpoint, the investment may be liquidated to cash if the investment is no longer suitable for the Client.

Investment Strategies

As outlined in Item 4, Bright Capital uses the responses to Bright Capital's questionnaire to determine a Client's risk tolerance to select an appropriate investment portfolio. Based on this information, Bright Capital will recommend one of its three portfolios of ETFs. Bright Capital seeks ETFs that minimize cost, show a good investment track record and are most suitable for its Clients. Bright Capital's investment strategy is designed to promote diversification and return within the Client-specific risk and suitability limits.

Risk of Loss

Bright Capital does not guarantee the future performance of any Client's account or model portfolio. Clients must understand that investments made via the Program involve substantial risk and are subject to various market, currency, economic, political and business risks, and that those investment decisions and actions will not always be profitable. Clients may lose some or all of the amount invested.

Subject to the Advisers Act, Bright Capital shall have no liability for any losses in a Client's account. The price of any security can decline for a variety of reasons outside of Bright Capital's

control, including, but not limited to, changes in the macroeconomic environment, unpredictable market sentiment, forecasted or unforeseen economic developments, interest rates, regulatory changes, and domestic or foreign political, demographic, or social events. There is no guarantee that Bright Capital's judgment or investment decisions about particular securities will necessarily produce the intended results. Bright Capital's judgment may prove to be incorrect, and a Client might not achieve his or her investment objectives.

High volatility and/or the lack of deep and active liquid markets for a security may prevent Bright Capital from selling a Client's securities at all, or at an advantageous time or price because Bright Capital and the Client's broker may have difficulty finding a buyer and may be forced to sell at a significant discount to market value. The Program, by its automated nature, limits excessive trading risk, although human programming error may result in excessive trading. Bright Capital cannot guarantee any level of performance or that any Client will avoid a loss of account assets. Any investment in securities involves the possibility of financial loss that Clients should be prepared to bear.

When evaluating risk, financial loss may be viewed differently by each Client and may depend on many different risk items, each of which may affect the probability of adverse consequences and the magnitude of any potential losses. The following risks may not be all-inclusive but should be considered carefully by a prospective Client before entering the Program. These risks should be considered as possibilities, with additional regard to their actual probability of occurring and the effect on a Client if there is, in fact, an occurrence.

Market Risk - The price of any security or the value of an entire asset class can decline for a variety of reasons outside of Bright Capital's control, including, but not limited to, changes in the macroeconomic environment, unpredictable market sentiment, forecasted or unforeseen economic developments, interest rates, regulatory changes, and domestic or foreign political, demographic, or social events. If a Client has a high allocation in a particular asset class, it may negatively affect overall performance to the extent that the asset class underperforms relative to other market assets. Conversely, a low allocation to a particular asset class that outperforms other asset classes in a particular period may cause that Client account to underperform relative to the overall market.

Investment Risk - There is no guarantee that Bright Capital's judgment or investment decisions about particular securities or asset classes will necessarily produce the intended results. Bright Capital's judgment may prove to be incorrect, and a Client might not achieve his or her investment objectives. Bright Capital may also make future changes to the investing algorithms and services that it provides. In addition, it is possible that Clients or Bright Capital itself may experience computer equipment failure, loss of internet access, viruses, or other events that may impair access to Bright Capital's software based financial service.

Volatility and Correlation Risk - Clients should be aware that Bright Capital's asset selection process is based in part on past price performance and volatility in order to evaluate future probabilities. However, it is possible that different or unrelated asset classes may exhibit similar price changes in similar directions which may adversely affect a Client and may become more acute in times of market upheaval or high volatility. Past performance is no guarantee of future results, and any historical returns, expected returns, or probability projections may not reflect actual future performance.

Liquidity and Valuation Risk - High volatility and/or the lack of deep and active liquid markets for a security may prevent Bright Capital from selling a Client's securities at all, or at an advantageous time or price because Bright Capital and the Client's broker may have difficulty finding a buyer and may be forced to sell at a significant discount to market value. Some securities (including ETFs) that hold or trade financial instruments may be adversely affected by liquidity issues as they manage their portfolios. While Bright Capital values the securities held in Client accounts based on reasonably available exchange-traded security data, Bright Capital may from time to time receive or use inaccurate data, which could adversely affect security valuations, transaction size for purchases or sales, and/or the resulting fees paid to Bright Capital.

Credit Risk - Bright Capital cannot control and Clients are exposed to the risk that financial intermediaries or security issuers may experience adverse economic consequences that may include impaired credit ratings, default, bankruptcy or insolvency, any of which may affect portfolio values or management. This risk applies to assets on deposit with any broker utilized by a Client, notwithstanding asset segregation and insurance requirements that are beneficial to Clients generally. In addition, exchange trading venues or trade settlement and clearing intermediaries could experience adverse events that may temporarily or permanently limit trading or adversely affect the value of securities held by Clients. Finally, any issuer of securities may experience a credit event that could impair or erase the value of the issuer's securities held by a Client. Bright Capital seeks to limit credit risk through ETFs, which are subject to regulatory limits and leverage such that fund shareholders are given liquidation priority versus the fund issuer; however, certain funds and products may involve higher issuer credit risk because they are not structured as a registered fund.

Legislative and Tax Risk - Performance may directly or indirectly be affected by government legislation or regulation, which may include, but is not limited to: changes in investment adviser or securities trading regulation; change in the U.S. government's guarantee of ultimate payment of principal and interest on certain government securities and changes in the tax code that could affect interest income, income characterization, and/or tax reporting obligations.

Foreign Investing and Emerging Markets Risk - Foreign investing involves risks not typically associated with U.S. investments, and the risks may be exacerbated further in emerging market countries. These risks may include, among others, adverse fluctuations in foreign currency values, as well as adverse political, social and economic developments affecting one or more foreign countries. In addition, foreign investing may involve less publicly available information and more volatile or less liquid securities markets, particularly in markets that trade a small number of securities, have unstable governments, or involve limited industry. Investments in foreign countries could be affected by factors not present in the U.S., such as restrictions on receiving the investment proceeds from a foreign country, foreign tax laws or tax withholding requirements, unique trade clearance or settlement procedures, and potential difficulties in enforcing contractual obligations or other legal rules that jeopardize shareholder protection. Foreign accounting may be less transparent than U.S. accounting practices and foreign regulation may be inadequate or irregular.

Frontier Markets Risks - The risks associated with investing in foreign or emerging markets generally are magnified in frontier markets, also known as "next emerging" markets. Some frontier markets may operate in politically unstable regions of the world and may be subject to additional geopolitical/disruption-of-markets risks.

ETF Risks, including Net Asset Valuations and Tracking Error – ETF performance may not exactly match the performance of the index or market benchmark that the ETF is designed to track because (i) the ETF will incur expenses and transaction costs not incurred by any applicable index or market benchmark; (ii) certain securities comprising the index or market benchmark tracked by the ETF may, from time to time, temporarily be unavailable; and (iii) supply and demand in the market for either the ETF and/or for the securities held by the ETF may cause the ETF shares to trade at a premium or discount to the actual net asset value of the securities owned by the ETF. Certain ETF strategies may from time to time include the purchase of fixed income, commodities, foreign securities, American Depositary Receipts, or other securities for which expenses and commission rates could be higher than normally charged for exchange-traded equity securities, and for which market quotations or valuation may be limited or inaccurate.

Clients should be aware that to the extent Bright Capital invests in ETF securities, they will pay two levels of compensation – the Subscription Fee charged by Bright Capital plus any management fees charged by the issuer of the ETF. This scenario may cause a higher cost (and potentially lower investment returns) than if a Client purchased the ETF directly.

ETFs typically include embedded expenses that may reduce the fund's net asset value, and therefore directly affect the fund's performance and indirectly affect a Client's portfolio performance or an index benchmark comparison. Expenses of the fund may include investment adviser management fees, custodian fees, brokerage commissions, and legal and accounting fees. ETF expenses may change from time to time at the sole discretion of the ETF issuer. ETF tracking error and expenses may vary.

Inflation, Currency, and Interest Rate Risks - Security prices and portfolio returns will likely vary in response to changes in inflation and interest rates. Inflation causes the value of future dollars to be worth less and may reduce the purchasing power of an investor's future interest payments and principal. Inflation also generally leads to higher interest rates, which in turn may cause the value of many types of fixed income investments to decline. The liquidity and trading value of foreign currencies could be affected by global economic factors, such as inflation, interest rate levels, and trade balances among countries, as well as the actions of sovereign governments and central banks. In addition, the relative value of the U.S. dollar-denominated assets primarily managed by Bright Capital may be affected by the risk that currency devaluations affect Bright Capital's purchasing power.

Algorithmic Trading - Clients are advised that the Program relies on computer models, data inputs and assumptions in generating trade orders or recommendations (as applicable). Statistical investing models, such as those used by Bright Capital, rely on back-tested information, and, thus, may not operate as expected or intended when events having few or no historical antecedents occur, and, accordingly, may generate losses another manager could have been able to avoid.

Cybersecurity Risks - Bright Capital and its service providers are subject to risks associated with a breach in cybersecurity. Cybersecurity is a generic term used to describe the technology, processes and practices designed to protect networks, systems, computers, programs and data from cyber-attacks and hacking by other computer users, and to avoid the resulting damage and disruption of hardware and software systems, loss or corruption of data, and/or misappropriation of confidential information. In general, cyber-attacks are deliberate, but unintentional events may have similar effects. Cyber-attacks may cause losses to Bright Capital's Clients by interfering with the processing of transactions, affecting Bright Capital's ability to calculate net asset value

or impeding or sabotaging trading. Clients may also incur substantial costs as the result of a cybersecurity breach, including those associated with forensic analysis of the origin and scope of the breach, increased and upgraded cybersecurity, identity theft, unauthorized use of proprietary information, litigation, and the dissemination of confidential and proprietary information. Any such breach could expose Bright Capital to civil liability as well as regulatory inquiry and/or action. In addition, Clients could be exposed to additional losses as a result of unauthorized use of their personal information. While we have established business continuity plans, incident responses plans and systems designed to prevent cyber-attacks, there are inherent limitations in such plans and systems, including the possibility that certain risks have not been identified. Similar types of cybersecurity risks also are present for issuers of securities in which we invest, which could result in material adverse consequences for such issuers and may cause a Client's investment in such securities to lose value.

Investment Strategy Risks - There are risks associated with the long-term core strategic holdings. The more aggressive the investment strategy, the more likely the portfolio will contain larger weights in riskier asset classes.

Equity-Related Risks - The prices of equity securities will rise and fall. These price movements may result from factors affecting individual companies, industries, or the securities market as a whole. Individual companies may report poor results or be negatively affected by industry and/or economic trends and developments. The prices of securities issued by such companies may suffer a decline in response. In addition, the equity market tends to move in cycles, which may cause stock prices to fall over short or extended periods of time.

Large-Cap and Mid-Cap Risks - Large-cap and/or mid-cap segments of the stock market bear the risk that these types of stocks tend to go in and out of favor based on market and economic conditions. However, stocks of mid-cap companies tend to be more volatile than those of large-cap companies because mid-cap companies tend to be more susceptible to adverse business or economic events than larger, more established companies.

During a period when large- and mid-cap U.S. stocks fall behind other types of investments, bonds or small-cap stocks, for instance, the performance of investment strategies focused on large- and/or mid-cap stocks will lag the performance of these other investments.

Small-Cap and International Risks - Historically, small-cap and international stocks have been riskier than large- and mid-cap U.S. stocks. During a period when small-cap and/or international stocks fall behind other types of investments, U.S. large- and mid-cap stocks, for instance, the performance of investment strategies focused on small-cap or international stocks may lag the performance of these other investments.

Reliance on Management and Other Third Parties – ETF investments will rely on third-party management and advisers. Bright Capital is not expected to have an active role in the day-to-day management of fund investments. Carried interest and other incentive distributions to fund management may create an incentive towards more speculative investments than would otherwise have been made.

Market Volatility - General fluctuations in the economy may affect the value of one or more investments. In the event of economic volatility, the ability to achieve a favorable return on investments may be severely impeded.

Large Investment Risks - Clients may collectively account for a large portion of the assets in certain investments. A decision by many investors to buy or sell some or all of a particular investment where Clients hold a significant portion of that investment may negatively impact the value of that the investment.

Novel Coronavirus Pandemic, Public Health Emergency and Global Economic Impacts - As of the date of this Brochure, there is an ongoing outbreak of a novel and highly contagious form of coronavirus (“COVID-19”), which the World Health Organization declared a pandemic on March 11, 2020. The outbreak of COVID-19 has caused a worldwide public health emergency with a substantial number of hospitalizations and deaths, and has significantly adversely impacted global commercial activity and contributed to both volatility and material declines in equity and debt markets. The global impact of the outbreak is rapidly evolving, and many country, state and local governments have reacted by instituting mandatory or voluntary quarantines, travel prohibitions and restrictions, closure or reduction of offices, businesses, schools, retail stores and other public venues and/or cancellation, suspension or postponement of certain events and activities, including certain non-essential government and regulatory activity. Businesses are also implementing their own precautionary measures, such as voluntary closures, temporary or permanent reductions in work force, remote working arrangements and emergency contingency plans. Such measures, as well as the general uncertainty surrounding the dangers, duration and impact of COVID-19, are creating significant disruption in supply chains and economic activity, impacting consumer confidence and contributing to significant market losses, including having particularly adverse impacts on transportation, hospitality, tourism, sports, entertainment and other industries dependent upon physical presence. As COVID-19 continues to spread, potential additional adverse impacts, including a global, regional or other economic recession of indeterminate duration, are increasingly likely and difficult to assess.

The extent of the impact of COVID-19 on Bright Capital’s and/or a Client’s operational and financial performance and each Client’s investments will depend on many factors, including the duration and scope of the resulting public health emergency, the extent of any related restrictions implemented, the impact of such public health emergency on overall supply and demand, goods and services, investor liquidity, consumer confidence and levels of economic activity, and the extent of its disruption to important global, regional and local supply chains and economic markets, all of which are highly uncertain and cannot be predicted. The effects of the COVID-19 pandemic may materially and adversely impact the value, performance and liquidity of a Client’s investments, Bright Capital’s ability to source, manage and divest investments and Bright Capital’s ability to achieve its investment objectives on behalf of its Clients, all of which could result in significant losses to a Client.

In addition, COVID-19 and the resulting changes to global businesses and economies likely will adversely impact the business and operations of Clients, Bright Capital, and their respective affiliates. Certain businesses and activities may be temporarily or permanently halted as a result of government or other quarantine measures, voluntary and precautionary restrictions on travel or meetings and other factors, including the potential adverse impact of COVID-19 on the health of key personnel.

Other Catastrophic Risks - In addition to the potential risks associated with COVID-19 as outlined above, Clients, Bright Capital, and their respective affiliates, may be subject to the risk of loss arising from direct or indirect exposure to a number of types of other catastrophic events, including without limitation (i) other public health crises, including any outbreak of SARS,

H1N1/09 influenza, avian influenza, other coronavirus, Ebola or other existing or new epidemic diseases, or the threat thereof; or (ii) other major events or disruptions, such as hurricanes, earthquakes, tornadoes, fires, flooding and other natural disasters; acts of war or terrorism, including cyberterrorism; or major or prolonged power outages or network interruptions. The extent of the impact of any such catastrophe or other emergency on Bright Capital's and/or a Client's operational and financial performance and each Client's investments will depend on many factors, including the duration and scope of such emergency, the extent of any related travel advisories and restrictions, the impact on overall supply and demand, goods and services, investor liquidity, consumer confidence and levels of economic activity, and the extent of its disruption to important global, regional and local supply chains and economic markets, all of which are highly uncertain and cannot be predicted. In particular, to the extent that any such event occurs and has a material effect on global financial markets or specific markets in which a Client participates (or has a material effect on any locations in which Bright Capital operates or on any of its personnel) the risks of loss could be substantial and could have a material adverse effect on Clients or the ability of Bright Capital to fulfill its investment objectives on behalf of its Clients.

Limitations of Disclosure - The foregoing list of risks does not purport to be a complete enumeration or explanation of the risks involved in investing in investments. As investment strategies develop and change over time, Clients may be subject to additional and different risk factors. No assurance can be made that profits will be achieved or that substantial losses will not be incurred.

Voting Client Securities

As a matter of Firm policy and practice, Bright Capital does not have any authority to and does not vote proxies on behalf of Clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in such Client's portfolio. Clients will receive proxies and other solicitations directly from the designated custodian.

Bright Capital will neither advise nor act on behalf of the Client in legal proceedings involving companies whose securities are held or previously were held in the Client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements. Bright Capital will, however, forward to the Client any information Bright Capital receives regarding class action legal matters involving any security held in the account.

Item 7 – Client Information Provided to Portfolio Managers

Bright Capital has access to all Client information with respect to the particular Client accounts managed through the Application. The Application relies on the information provided by the Client through the interactive questionnaire in order to provide investment advice.

Bright Capital gathers information regarding the Client's risk tolerance and investment time horizon. Other information collected by Bright Capital through the questionnaire may include, among other things, information about a Client's identity, liquidity, age, e-mail address, physical address, location, nationality, citizenship, tax residency, medical expenses, savings desires, etc.

Item 8 – Client Contact with Portfolio Managers

Clients may contact Bright Capital via email at support@brightmoney.co with respect to technical questions regarding the web-based application. Bright Capital provides investment advice only through its Application. Bright Capital's personnel do not offer investment advice via email or telephone.

Item 9 – Additional Information

Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to an evaluation of such adviser or the integrity of such adviser's management. Bright Capital does not have any legal, financial, regulatory, or other "disciplinary" item to report to any Client. This statement applies to Bright Capital and to every employee of Bright Capital.¹

Other Financial Industry Activities and Affiliations

Bright Capital requires that Clients use the clearing execution services offered by Alpaca, an unaffiliated clearing and executing broker and qualified custodian for Bright Capital accounts.

Bright Capital is under common control with Bright Capital Inc., as described in Part 1 of Bright Capital's Form ADV, which is available online at <http://www.adviserinfo.sec.gov>. Bright Capital Inc. is a provider of a mobile application and related website that provides debt management services to enable users to reduce their outstanding credit card balances.

Code of Ethics, Participation or Interest in Client Accounts and Personal Trading

Bright Capital has adopted a code of ethics (the "Code of Ethics") for all supervised persons of Bright Capital describing its high standard of business conduct and fiduciary duty to its Clients. The Code of Ethics includes provisions relating to the confidentiality of Client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at Bright Capital must acknowledge the terms of the Code of Ethics annually, or as amended. Bright Capital will provide Clients and prospective Clients with a copy of the Firm's Code of Ethics upon request.

Bright Capital anticipates that, in appropriate circumstances, consistent with Clients' investment objectives, it will recommend to accounts advised by Bright Capital to effect the purchase or sale of securities in which Bright Capital, its management persons and/or Clients, directly or indirectly, have a position or interest. Bright Capital's employees and persons associated with Bright Capital are required to follow Bright Capital's Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of Bright Capital may trade for their own accounts in securities which are recommended to and/or purchased for Bright Capital's Clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Bright Capital will not interfere with (i) making decisions in the best interest of Clients; and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code of Ethics, certain classes of securities have been designated as exempt transactions, based upon a determination that personal employee transactions in these types of securities would not materially interfere with the best interest of

¹ NTD: Bright Capital to confirm.

Bright Capital's Clients. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between Bright Capital and its Clients.

Review of Accounts

Bright Capital provides all Clients with continuous access to the Application, which includes real time reporting information about their account status, securities, and balances. Bright Capital will utilize commercially available software to review the curated portfolios at least annually to ensure that they are in line with the parameters of the models. The portfolios will be reviewed at least annually to ensure the selected model remains suitable for the Client. Additional reviews of portfolios may be triggered by material changes in variables such as a Client's individual circumstances, or the market, political or economic environment.

Alpaca prepares account statements showing all transactions and account balances during the prior month. All information relating to Client accounts are provided on the Application. Bright Capital urges Clients to compare Alpaca account statements with the information available on the Application. Bright Capital requests that Clients reconfirm their current profile information as needed and on an annual basis. Bright Capital, as applicable, conducts reviews when material changes may have occurred to a Client's portfolio or investment objectives. When performed by Bright Capital, Bright Capital will retain the Client account review documentation electronically. To the extent possible, every deposit of funds by the Client into his or her investment account will be allocated in accordance with the model selected in the Application.

Client Referrals and Other Compensation

Bright Capital and its related persons do not receive an economic benefit (such as sales awards or other prizes) from any third party for providing investment advice to Clients. However, Bright Capital may receive from a broker-dealer or a fund company, without cost and/or at a discount, certain services and/or products, to assist in monitoring and servicing Client accounts. These may include investment-related research, pricing information and market data, software and other technology that provide access to Client account data, compliance and/or practice management-related publications, discounted or free consulting services, discounted or free attendance at conferences, meetings, and other educational or social events, marketing support, computer hardware or software, and other products used by Bright Capital to assist Bright Capital in its investment advisory business operations.

Bright Capital does not offer cash payments for Client solicitations.

Financial Information

Bright Capital does not require or solicit the prepayment of any fees and does not have any adverse financial condition that is reasonably likely to impair Bright Capital's ability to continuously meet its contractual commitments to its Clients. Bright Capital has not been the subject of any bankruptcy proceedings.