

## **ALPHAENGINE GLOBAL INVESTMENT SOLUTIONS LLC**

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## **DISCLOSURE BROCHURE**

### **PART 2 OF FORM ADV**

March 21, 2022

This Disclosure Brochure provides information about the qualifications and business practices of AlphaEngine Global Investment Solutions LLC (“AEGIS”). If you have any questions about the contents of this Brochure, please contact us at 214-550-0460. The information in this Brochure has not been approved or verified by the U.S. Securities and Exchange Commission (“SEC”) or by any state securities authority.

AEGIS is a registered investment adviser with the SEC. Registration of an Investment Adviser does not imply any level of skill or training. Additional information about AEGIS is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**ITEM 2 – MATERIAL CHANGES**

On July 28, 2010, the SEC published “Amendments to Form ADV” which amends the disclosure requirements for the document that AEGIS provides to clients as required by SEC rules. This Disclosure Brochure dated February 23, 2018 (the “Brochure”) is a document prepared according to the SEC’s new requirements and rules.

AEGIS will provide and deliver to you a summary of any material changes to this and any subsequent Brochures within 120 days of the close of the firm’s fiscal year. AEGIS may further provide other ongoing disclosure information about material changes as necessary. We will further provide you with an updated Brochure as necessary based on changes or new information, at any time, without charge.

***Item 4/Assets Under Management.*** AEGIS’s notional AUM increased over the past year as the firm added 1 discretionary client and additional notional AUM in its limited discretionary client mandates, while 2 discretionary clients terminated their mandates as part of broader portfolio restructurings. The notional AUM currently stands at \$2,430,000,000.

Our Brochure may be requested by contacting Mr. Sanjay Muralidhar at 214.550.0460 or at [spmuralidhar@alphaengine.net](mailto:spmuralidhar@alphaengine.net).

Additional information about AEGIS is also available via the SEC’s web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

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#### ITEM 4 – ADVISORY BUSINESS

AEGIS was founded in 2007 as a privately-held Texas limited liability company and is wholly-owned by Mcube Investment Technologies LLC (“Mcube”). AEGIS became a registered investment adviser in 2007. Mcube, a Texas limited liability company founded in 2002, is, in turn, majority-owned by Messrs. Sanjay Muralidhar and Arun Muralidhar.

AEGIS provides investment management and advisory services on a discretionary and non-discretionary basis to institutional clients, including pension and profit sharing plans, charitable organizations and State or municipal government entities. Services provided by AEGIS involve making recommendations on the allocation of its clients’ assets to various asset classes (equities, bonds, commodities, currencies, etc.), pursuant to a variety of investment styles (including hedging transactions). In some cases, AEGIS may directly invest residual cash from allocable client assets in short-term cash instruments and cash equivalents.

AEGIS provides investment management and advisory services by entering into investment advisory agreements with each client. Each agreement details a client’s investment objective, strategies and guidelines as well as acceptable risk parameters. In addition, each such agreement provides instructions on portfolio monitoring and reporting as well as guidelines relating to execution and other matters relating to brokerage.

AEGIS will execute transactions directly and based upon the client’s written instructions or investment policy guidelines.

AEGIS’ client relationships may be terminated without penalty upon between fourteen (14) and thirty (30) days’ prior written notice by either party or as otherwise specifically set forth in the relevant investment advisory agreement. Investment advisory agreements cannot be assigned by either party.

#### ***Assets Under Management (“AUM”)***

As of March 21, 2022 AEGIS managed \$1,060,000,000 AUM (notional) on a discretionary basis and \$1,370,000,000 AUM on a (limited) non-discretionary basis. It is important to note that the AUM is calculated and disclosed in this Item 5 in a manner consistent with the express rules of the Investment Advisers Act of 1940, as amended (the “Advisers Act”) and the requirements of Form ADV. Since AEGIS utilizes exchange-traded futures-based overlay programs that take positions based upon the notional AUM and other investment guidelines (like risk budget and/or asset class position limits), the actual exposure (dollar value) of positions maintained will be lower than the notional AUM. In addition, the value of these positions will fluctuate over time depending upon economic, market and other conditions.

#### ITEM 5 – FEES AND COMPENSATION

Fees are negotiated and agreed upon on a case by case basis with each institutional client. Management fees are determined by considering a variety of factors, including, but not limited to, the contemplated investment strategy, the type of assets to be managed, the targeted risk and return expectation, the

intensity or depth of the analysis required, whether the arrangement is discretionary or limited/non-discretionary, the combination of management and performance fee levels and the size of the mandate.

AEGIS offers its management and advisory services for fees that are a combination of (i) a management fee, and/or (ii) a performance-based fee. Some fee arrangements compute the management fee as a percentage of notional AUM while in other cases, the management fee agreement can be expressed as a dollar amount that may be static or changes based on the notional AUM. Management fees are prorated for partial periods.

A standard fee schedule would be a management fee of 0.05% of notional AUM plus a performance fee of 20% of net new value added.

Fees (including computed as a percentage of the notional value of AUM, whether performance-based or management fees) are generally paid quarterly in arrears or as otherwise required by the written investment advisory agreement between AEGIS and each client. To the extent advisory services are not rendered and fees are paid in advance, clients are entitled to refunds on a pro rata basis.

#### ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

AEGIS typically receives performance-based compensation only from “qualified clients” as defined under Rule 205-3(d)(1) under the Advisers Act. In such cases, performance-based compensation arrangements are reasonably designed to comply with Rule 205-3 under the Advisers Act.

Performance-based compensation generally ranges from between 20% and 30% of investment profits based on gross returns. Performance-based compensation is generally paid annually in arrears.

The payment of performance-based compensation may create the incentive for a manager to make riskier investments than would be the case if this type of compensation was not paid.

#### ITEM 7 – TYPES OF CLIENTS

AEGIS serves a variety of institutional clients, primarily pension and profit sharing plans and insurance companies. AEGIS generally requires a minimum (notional) account size of \$100 million, but this amount is negotiable on a case by case basis depending upon the specifics of the mandate.

#### ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

AEGIS provides advice on a broad range of assets and uses a systematic approach to analyzing the likely performance of such assets/securities based on a multi-factor approach using fundamental, technical, sentiment and economic indicators.

AEGIS uses a systematic approach in managing client accounts. A proprietary model, using the AlphaEngine® technology, uses quantitative inputs as part of its asset class/sector, and currency allocation methodology. On occasion, additional qualitative inputs which include analyses of markets that may not have been captured by such models (e.g., political or natural events) may be also

introduced. Final recommendations are based on an aggregate assessment of all such factors for each asset.

AEGIS follows a disciplined quantitative investment strategy, with the potential for qualitative inputs to enhance implementation. Its strategy is grounded in the belief that all assets, securities and managers are influenced by a host of economic, sentiment and seasonal factors and that developing quantitative processes to overweight and underweight assets based on such factors leads to better portfolio construction. These indicators have been incorporated into rigorous systems and decision rules using the AlphaEngine® system that then evaluates the current market environment and the potential for assets to perform well/poorly in the context of the overall portfolio.

In addition to financial media, research prepared by others, annual reports, prospectuses, filing with the SEC, AEGIS uses information gathered from industry conferences, AEGIS's own proprietary factor analysis, and academic and non-academic research related to investment management.

#### ITEM 9 – DISCIPLINARY INFORMATION

Registered investment managers are required to disclose all material facts regarding any disciplinary or legal events that would be material to your evaluation of AEGIS or the integrity of AEGIS' management. AEGIS is not currently, and has never been, a party to any legal disciplinary action.

#### ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

AEGIS is an independently-owned and managed institutional asset management firm and has no financial industry relationships or affiliations and engages in no other business lines.

#### ITEM 11 – CODE OF ETHICS

AEGIS advises clients on asset classes, sectors, currencies and the selection of unaffiliated managers, and, under limited circumstances, securities in which to directly invest. In the course of offering these services, AEGIS mostly invests in or allocates client assets to exchange traded futures contracts. On occasion, related persons of AEGIS may also purchase securities or make allocations to managers for the benefit of their personal investment account(s).

##### *Code of Ethics*

The AEGIS Code of Ethics (the "Code") prohibits all employees from acquiring or disposing of a direct or beneficial interest in any securities held on behalf of clients as well as any trading in client securities. The Code further prohibits any personal trading based on or that benefits from advice given or to be given, or in investments made or to be made, by AEGIS on behalf of its clients

The Code is reasonably designed to meet the requirements established by Rule 204A-1 under the Advisers Act. All employees of AEGIS are required to acknowledge their receipt and understanding of the Code as a condition of employment and sign an annual certification stating that they (i) have read and understand the Code, and (ii) will report their investment activities on a quarterly basis to facilitate compliance with the Code. The Code also encourages employees to report to the Chief Compliance Officer any suspected violations of the Code and provides for sanctions for Code violations. A copy of the Code is available to all clients and prospective clients upon request directed to Mr. Sanjay Muralidhar at 214.550.0460 or [spmuralidhar@alphaengine.net](mailto:spmuralidhar@alphaengine.net).

AEGIS personnel are prohibited by company policy, AEGIS's Code of Ethics, and AEGIS's Insider Trading Policies, from sharing non-public information about its institutional clients' accounts or investments or acting in a manner that might have any appearance of self-dealing with a client.

#### ITEM 12 – BROKERAGE PRACTICES

AEGIS normally has authority to supervise and direct investments for the client's account without prior consultation with the client. Pursuant to this discretionary authority, AEGIS will normally determine which securities are bought and sold for the account, and the total amount of such purchases and sales. AEGIS's authority is typically subject to the conditions imposed by the clients. For example, the client may set up the prime broker and specific account in the client's name where all trades are required to be placed based upon prior agreement between the client and the broker including the commission rates and margin requirements, or the client restricts the total exposure allowed, or list of asset classes and contracts allowed to be traded.

AEGIS's overriding objective in effecting portfolio transactions is to seek to obtain the best combination of net price and execution. The best net price, giving effect to brokerage commission, if any, and other transaction costs, is normally an important factor in this decision, but a number of other judgmental factors may also enter into the decision. Generally, AEGIS will execute the trades for each client in a separate prime brokerage account opened and maintained by the client in its own name. Therefore, the transactions costs and other aspects like margin requirements are agreed upon by the client and the broker or dealer selected. AEGIS will provide feedback to the client on the various services provided by such broker/dealer from time to time, if requested, and as information arises, but does not undertake any detailed review of transactions costs, execution, etc. unless requested.

**Trade Aggregation:** For almost all trades executed for discretionary clients, AEGIS calculates the trades for each client individually, then aggregates all the trades across all clients so as to trade them in one transaction (common single price) for each contract and, based on the pre-trade allocation, assigns them to each client account at the single price so all participating client accounts are treated fairly and equally. Exceptions to this practice are when contract rolls occur, which are executed for each client account separately and for (limited) non-discretionary mandates. On occasion, AEGIS will

execute trades for some client(s) at different times in the day for a variety of reasons like margin management, AUM changes, etc., and in such cases the trades are made for the particular client in the client account directly. AEGIS does not cross trade between clients.

AEGIS does not engage in any soft dollar arrangements.

#### ITEM 13 – REVIEW OF ACCOUNTS

On at least an annual basis, AEGIS' senior investment professionals conduct a comprehensive review of every client's account. AEGIS uses account diagnostics, performance attribution and risk analysis in conducting such reviews. AEGIS establishes, jointly with all clients, procedures for the formal review of the client's portfolio. These formal reviews occur annually at a minimum, and are conducted either telephonically/video meetings or in person either at the offices of AEGIS or the client. Also, as part of such formal reviews, AEGIS generally will review past performance.

AEGIS requires at least one senior investment professional to conduct ongoing reviews of client accounts. Reviewers typically consist of the co-CIOs, research staff and client portfolio managers. The reviewers examine a number of measures, such as performance and risk statistics. In addition, it is the responsibility of each reviewer to monitor portfolio guidelines and constraints on an ongoing basis where AEGIS has undertaken implementation responsibilities or duties under the client investment advisory agreement. AEGIS requires that each reviewer hold primary responsibility for a targeted maximum of 10 portfolios. Clients receive quarterly reports from AEGIS which detail the client's performance for the most recent quarter and highlights factors that might have influenced performance during that period.

#### ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

AEGIS does not engage in any soft dollar arrangements and typically uses broker/dealers selected or approved by the clients and executes trades in the clients' accounts at such broker/dealers.

An independent solicitor may also be compensated for direct marketing efforts within any state in which it is lawful to do so and upon certain disclosures to the client. Those disclosures are reasonably designed to comply with the requirements of Rule 206(4)-3 under the Advisors Act. The cost of any such compensation is borne by AEGIS. The advisory fees paid by the client are not increased.

An employee of AEGIS may also receive compensation directly or indirectly for any client referrals. Such indirect compensation would occur where some part of the profits of the registrant are pooled with the profits of its parent company, Mcube, and other subsidiaries of the parent company and may then be distributed to all employees of the Parent company and all subsidiaries in a profit sharing scheme. Consequently, there may be indirect compensation for client referrals going to these affiliated companies and their management/staff.



**ITEM 15 – CUSTODY**

AEGIS currently has no custody of its clients' assets. Clients customarily select and engage their own custodians without prior consultation with AEGIS.

**ITEM 16 – INVESTMENT DISCRETION**

AEGIS generally receives discretionary authority from the institutional client at the outset of an advisory relationship pursuant to an investment management or advisory agreement governing the management of such clients' assets. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives, guidelines, and restrictions for such client account.

AEGIS observes the investment policies, limitations and restrictions of the clients for which it manages assets. Investment guidelines and restrictions are provided to AEGIS by clients in writing.

**ITEM 17 – VOTING CLIENT SECURITIES**

Unless otherwise previously agreed to in writing, AEGIS does not vote client proxies.

**ITEM 18 – FINANCIAL INFORMATION**

Registered investment advisers are required to provide clients with certain financial information or disclosure about their financial condition. AEGIS has no financial commitment that impairs its ability to meet contractual and/or fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding.

**ITEM 19 – MISCELLANEOUS ITEMS****Disaster Recovery & Business Continuity**

AEGIS has adopted and implemented a disaster recovery and business continuity plan. AEGIS has multiple work locations in different geographical regions. Hence in the case of a disaster at one of these locations, AEGIS will be able to allow staff to work from remote locations convenient to staff (home or other locations with appropriate connectivity) or reassign staff at or to another location that is capable of assuming and executing responsibility on behalf of client accounts.

As part of AEGIS' document retention and disaster recovery policy, AEGIS regularly makes backup copies of the files that staff use for their ongoing responsibilities. Email system management is outsourced to a third party that provides ongoing disaster recovery services and retention of all emails sent and received by AEGIS.

AEGIS staff also uses a software solution to model the investment strategies applicable to each client. This software is deployed on multiple environments so that any service interruption triggers a switch to a back-up server and service is restored in short order. Most of these facilities can also be accessed via the internet (with the appropriate security, passwords, etc.) so that in case of any disruption to an office location, staff can work from other locations including homes as long as they have internet access.

Individual laptops and work stations are backed up from time to time and all client-sensitive documents are retained in multiple locations and formats (physical and electronic) to avoid any loss of data and documents.

### **Privacy Policy**

AEGIS emphasizes to its employees the confidential nature of client information and the high level of importance we place on maintaining confidentiality. It restricts access to non-public personal information about our clients to those employees who need to know that information. To the extent AEGIS outsources processing functions and support services to unaffiliated third parties, it limits the information available to them to information necessary or appropriate to offer such processing and support services. In addition, AEGIS requires that third parties holding information provided by AEGIS hold such information in confidence subject to agreed-upon security standards and only for approved purposes.

### **General Education and Business Standards**

AEGIS generally requires that any employee involved in providing investment advice have a minimum of a four (4) year college degree, with ideally an advanced degree in quantitative methods and/or finance. All senior management or supervisory employees that provide investment advice average many years of experience in the finance and investment industry.

# **BROCHURE SUPPLEMENT (COMBINED)**

**ARUN MURALIDHAR  
SANJAY MURALIDHAR  
HARISH NEELAKANDAN**

**ALPHAENGINE GLOBAL INVESTMENT SOLUTIONS, LLC**

March 21, 2022

This Brochure Supplement provides additional information about AEGIS's principals, key officers and supervised persons that supplements our Disclosure Brochure above.

Additional information about the supervised persons listed in this Supplement may be available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**ARUN MURALIDHAR****ITEM 2- EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE****Arun Muralidhar**

Year of Birth: 1966

Education: Wabash College, B.A.; MIT Sloan School of Management, Ph D

- 2002- Present: Mcube Investment Technologies, LLC (Chairman)
- 2001-2008, FX Concepts (Managing Director)
- 1999-2001: JP Morgan Investment Management (Managing Director, Head of Currency Research)
- 1992-1999: World Bank Treasury (Head of Investment Research)

**ITEM 3- DISCIPLINARY INFORMATION**

None

**ITEM 4- OTHER BUSINESS ACTIVITIES**

Mcube Investment Technologies – Co-Founder

**ITEM 5- ADDITIONAL COMPENSATION**

None

**ITEM 6 – SUPERVISION SUMMARY**

Arun Muralidhar serves as AEGIS' Client Portfolio Manager and oversees the firm's marketing, sales and client interactions. Arun Muralidhar supports the other Co-CIOs to manage the portfolio, review and approve the models used in the firm's investment management activities, ensuring that they are consistent with the clients' objectives and guidelines, and supports the execution of these models, as a member of the Investment Committee. Also, AEGIS has adopted a compliance program, code of ethics, and related supervisory controls that governs all officers and staff. Each officer and staff confirms in writing that he or she has received and agrees to abide by AEGIS's code of ethics, compliance and governance standards. As CEO, Sanjay Muralidhar may be contacted at +1 214 550 0460 regarding any general firm governance and supervision matters.

**SANJAY MURALIDHAR****ITEM 2- EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE****Sanjay Muralidhar**

Year of Birth: 1962

Education: University of Bombay, B.Com; Chartered Accountant (India), University of Pennsylvania Wharton School, MBA.

Business Background:

- 2002-present, Mcube Investment Technologies, LLC (CEO)
- 2000 – 2002: Consultant
- 1998 – 1999: iVillage Inc. (Vice President, Finance)
- 1992-1998: Reader's Digest Association Inc, (various finance roles including Vice President - Finance; Controller, Director – Finance)
- 1987-1992: Bristol-Myers Squibb Corporation (various finance roles including Manager - Financial Analysis, Manager - Corporate Finance, Financial Analyst)

**ITEM 3- DISCIPLINARY INFORMATION**

None

**ITEM 4- OTHER BUSINESS ACTIVITIES**

Mcube Investment Technologies – Chief Executive Officer

**ITEM 5- ADDITIONAL COMPENSATION**

None.

**ITEM 6 - SUPERVISION**

Sanjay Muralidhar serves as AEGIS' Chief Compliance Officer (CCO), Chief Executive Officer and Co-CIO and as CCO oversees the firm's compliance and code of ethics programs. As Co-CIO Sanjay Muralidhar works with the other Co-CIO to manage the portfolio, review and approve the models used in the firm's investment management activities and supports the execution of these models. Also, AEGIS has adopted a compliance program, code of ethics, and related supervisory controls that governs all officers and staff. Each officer and staff confirms in writing that he or she has received and agrees to abide by AEGIS's code of ethics, compliance and governance standards. As CEO, Sanjay Muralidhar may be contacted at +1 214 550 0460 regarding any general firm governance and supervision matters.

**HARISH NEELAKANDAN****ITEM 2- EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE****Harish Neelakandan**

Year of Birth: 1964

Education: Indian Institute of Engineering, B.S. Electrical Engineering; University of South Carolina, M.S. ; MIT Sloan School of Management, M.S. Management

Business Background:

- 2010-present, AlphaEngine Global Investment Solutions LLC (Co-CIO)
- 2004 – 2010: Campbell & Co. (Portfolio Manager & Head of Options)
- 2001 – 2004: FX Concepts (Portfolio Manager & Head of Options)
- 1999 - 2001: Caxton Associates LLC (Senior Trader, Options Group)
- 1994 -1999: Merrill Lynch & Co. (various roles including Vice President, Assistant Vice President, Associate, FX Options Trading)
- 1988 – 1992: Cognitive Systems Inc. (Project Manager, Software Engineer)

**ITEM 3- DISCIPLINARY INFORMATION**

None

**ITEM 4- OTHER BUSINESS ACTIVITIES**

None

**ITEM 5- ADDITIONAL COMPENSATION**

None.

**ITEM 6 - SUPERVISION**

Harish Neelakandan serves as AEGIS' Co-CIO and Head of Portfolio Management. As Co-CIO, Harish Neelakandan works with the other Co-CIO to manage the portfolio, review and approve the models used in the firm's investment management activities and supports the execution of these models. Also, AEGIS has adopted a compliance program, code of ethics, and related supervisory controls that governs all officers and staff. Each officer and staff confirms in writing that he or she has received and agrees to abide by AEGIS's code of ethics, compliance and governance standards. As CEO, Sanjay Muralidhar may be contacted at +1 214 550 0460 regarding any general firm governance and supervision matters.