

IDB Lido Wealth, LLC

FIRM BROCHURE

(Part 2A of Form ADV)

September 22, 2022

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Part 2A of Form ADV (the "Brochure") provides information about the qualifications and business practices of IDB Lido Wealth, LLC. If you have any questions about the contents of this Brochure, please contact us at (310) 278-8232. The information in this Brochure has not been approved or verified by the U.S Securities and Exchange Commission or by any state securities authority.

IDB Lido Wealth, LLC is a registered investment adviser with the U.S. Securities and Exchange Commission; however, such registration does not imply a certain level of skill or training and no inference to the contrary should be made.

Additional information about IDB Lido Wealth, LLC and its investment adviser representatives are also available on the SEC's website at <https://adviserinfo.sec.gov>.

ITEM 2: MATERIAL CHANGES

IDB Lido Wealth, LLC is a newly registered investment adviser. As such, no material changes are noted here. Our prospective clients are strongly encouraged to read this Brochure in its entirety prior to engaging IDB Lido for any advisory services.

Pursuant to SEC Rules, IDB Lido Wealth, LLC will send clients a summary of any materials changes to this Brochure, along with a offer to provide the full Brochure within 120 days of the close of IDB Lido Wealth, LLC's fiscal year. Additional information about IDB Lido Wealth, LLC and its Investment Advisors Representatives is available on the SEC's website at <https://advisorinfo.sec.gov>.

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ITEM 4: ADVISORY BUSINESS

A. Description of Firm

IDB Lido Wealth, LLC ("IDB Lido") is an SEC-registered, New York-based investment adviser founded in 2021. IDB Lido offers a variety of services, including, but not limited to, investment management and asset allocation, financial planning, family office services, and retirement and estate planning. IDB Lido offers these services to high-net-worth individuals, pension, and profit-sharing plans, trusts, estates, charitable organizations, corporations, and other types of business entities. IDB Lido conducts business in states reflected in its Form ADV Part 1 (copy available upon request or at <https://adviserinfo.sec.gov>).

IDB Lido is owned 50% by Lido Advisors, LLC ("Lido Advisors") and 50% by Israel Discount Bank of New York ("IDBNY").

B. Advisory Services

1. Investment Management

IDB Lido utilizes unique investment strategies to seek to help our clients achieve their investment goals while aiming to reduce market risks and manage volatility. We use an integrated wealth strategy that involves tailored investment services that, among other things, select assets for our clients that are less correlated to one another. These assets include not only the traditional asset classes such as fixed income ², equities ³, and cash ⁴, but also real estate debt, foreign securities, American Depositary Receipts, hybrid offerings ⁵, and Alternative Investments, such as Liquid⁶ and Non-Liquid ⁷ Alternative Investments and Non-Liquid Fixed Income investments⁸. IDB Lido believes it has the discipline to implement a strategy while remaining nimble to take advantage of potential opportunities. IDB Lido's main strategies include:

- **Core Equity Strategy** is a strategy driven by asset allocations that emphasizes stocks with a certain geography or market capitalization, economic cycles, momentum and fundamental drivers that can result in tactical opportunities, all reflected in combined mutual funds, ETFs, or separate account managers.
- **"Cap and Cushion"** Equity Collar Strategy is an options-based equity strategy that seeks to limit downside participation by both purchasing downside protection upside participation (writing a covered call option). In connection with this strategy, IDB Lido's affiliate, Lido Advisors, offers and manages variations of this strategy through several affiliated private funds ("Lido Private Funds").

² Fixed income includes government bonds, municipal bonds, corporate bonds, high yield bonds, foreign bonds, preferred stocks, CDs, loans, Exchange Traded Funds ("ETFs") based on bond indices, fixed income mutual funds, short-term fixed income instruments, structured notes, and certain preferred stocks.

³ Equities include common stocks, ETFs based on stock indices, equity mutual funds, publicly-traded master limited partnerships, publicly-traded royalty trusts, and publicly-traded real estate investment trusts ("REITs").

⁴ Cash includes, but is not limited to, money market funds, certain mutual funds or ETFs, or other cash equivalents.

⁵ Hybrid offerings generally includes merger funds, long-short commodity funds, structured notes, covered options, and other hybrid mutual funds (based on equity volatility).

⁶ Liquid Alternative Investments are investments in exclusively single sector or commodities ETFs or alternative mutual funds.

⁷ Non-Liquid Alternative Investments include Private Funds, which include, but are not limited to, hedge funds, fund of funds, real estate funds, managed futures funds, mezzanine funds, private equity funds, venture capital funds, and other types of private pooled investment vehicles, private real estate investment trusts, private real estate holdings, and oil and gas limited partnerships.

⁸ Non-liquid fixed income investments are defined as longer-term investments in loans secured by first trust deed mortgages, including first trust deed loans, bridge loans, and client-directed family mortgages.

Lido Private Funds offers and manages this strategy applied to the S&P 500 Index through limited partnership interests in the Lido Private Funds. In addition, Lido Advisors utilizes variations of this strategy with similar hedging arrangements. These variations are materially distinguishable from “Cap and Cushion” and any notable differences are disclosed to clients prior to deployment in their portfolio.

- **Fixed Income** is a strategy that seeks both the potential for current income and reduction in portfolio risk by using various fixed income strategies. We utilize bonds, mutual funds, and ETFs to diversify the fixed strategy with an aim to assist in better control duration and credit risk.
- **Alternative Investments** is a strategy that seeks to provide critical diversification and can, under the right circumstances, achieve results uncorrelated to equity and fixed income strategies.
- **Weighted Sector** Strategy seeks to track the investment results of a sector index and is designed to outperform the index due to slight differences in the sector weights used by IDB Lido versus the sector weights used by the index. This strategy uses ETFs and offers exposure to each sector in the market. Sectors are examined on a monthly basis and are over or under-weighted based on factor analysis.

IDB Lido also utilizes additional equity and fixed income-based strategies that supplement its above-described main strategies. In some cases, IDB Lido will utilize certain independent, third-party or affiliated asset managers (“TPAMs”) and sub-advisors to affect various strategies on behalf of a client. *See Items 8* (Methods of Analysis, Investment Strategies and Risk of Loss) and *11* (Code of Ethics, Participation or Interest in Client Transactions and Personal Trading). IDB Lido generally manages all client assets on a fully discretionary basis.⁹ In exercising full discretionary authority, IDB Lido selects, without first obtaining client’s authorization:

- the securities to be bought and sold;
- the amounts of securities to be transacted and whether it will be individually or blocked traded;
- the broker dealer through which transactions will be executed; and
- the TPAM used to manage the client assets.

A client may, at IDB Lido’s sole discretion, impose parameters to IDB Lido’s discretionary authority, including, but not limited to, restrictions in certain companies or industry sectors or directed brokerage. In these instances, clients are solely responsible for informing IDB Lido in writing of these parameters, changes to these parameters, or their overall investment goals and objectives. Finally, clients may also direct IDB Lido to execute certain trades or purchase certain investments. In these instances, clients assume full responsibility for these directed trades or investments, including any negative impact these may have on IDB Lido’s strategies employed on their other assets. IDB Lido cannot and does not make any assurance that client directed trades will be timely executed or executed at all.

⁹ In certain instances, and at its sole discretion, IDB Lido will arrange for clients to open trading accounts at a broker dealer/custodian on a non-discretionary basis. These non-discretionary accounts are subject to third-party fees, including, but not limited to, commissions and other custodial-related fees. These broker dealers/custodians will as a general practice provide disclosures concerning these fees directly to clients. Clients should review this information carefully and are encouraged to discuss these fees with IDB Lido and the broker dealer/custodian.

IDB Lido integrates Alternative Investments as part of its overall investment strategy. These investments are not suitable for all clients. For those clients whom these investments are suitable, IDB Lido recommends, among other alternative investments, real estate-related Private Funds sponsored or operated by Oakhurst Advisors, LLC (“Oakhurst”), which is a separately registered investment adviser owned and controlled in part by certain Lido Advisor principals. Additional information about Oakhurst is available on the SEC’s website at <https://advisorinfo.sec.gov>. Prior to June 2018, these real estate-related Private Funds were sponsored or operated by S&R Real Estate Advisors, LLC (“S&R”). In June 2018, Oakhurst and S&R entered into a business combination. The combined entity is now known as Oakhurst. Richard Goldman, Stanley Itskowitch, and Chuck Ng, former S&R principals, are now Oakhurst principals. Mr. Goldman, Mr. Itskowitch, and Mr. Ng and certain IDB Lido principals have long-standing relationships. These long-standing relationships and the resulting business combination present significant, actual and potential conflicts of interests, including, but not limited to, the potential that IDB Lido and its principals are biased in favor of Oakhurst investments given that certain IDB Lido principals have an ownership interest in Oakhurst. Moreover, it is possible that IDB Lido clients could incur higher fees in connection with Oakhurst investments than those associated with other Alternative Investments. *See Item 11* (Code of Ethics, Participation or Interest in Client Transactions and Personal Trading) regarding IDB Lido’s mitigation efforts; *See Item 5* (Fees and Compensation) regarding the fees paid to Oakhurst.

2. Asset Allocation Services

At the onset of a client relationship, IDB Lido develops an asset allocation plan that aims to balance a client’s overall financial objectives with individual attributes including risk tolerance, income requirements, liquidity requirements, income taxes, and time horizon. IDB Lido accomplishes this by gathering pertinent information from a client during the account opening process through a Client Risk Profile Form, Investment Policy Statement (“IPS”), or other similar documentation.

IDB Lido performs the following services in determining and maintaining the appropriate allocation plan for clients:

- Analysis of the client’s current financial situation and prior investment experience;
- Assistance in setting goals to determine appropriate time horizons, investment objectives, income taxes, family structure, and amounts needed to accomplish investment goals;
- Analysis of the client’s risk tolerance;
- Selection of appropriate asset classes;
- Investment selection utilizing, as appropriate, no-load mutual funds, equity and fixed income securities, Private Funds, and TPAMs;
- Ongoing monitoring of fund, securities, and manager performance;
- Ongoing portfolio performance analysis; and
- Portfolio modifications and reallocation as appropriate

3. TPAM Selection

IDB Lido may delegate management of all or part of a client’s assets to TPAMs. IDB Lido will provide access to TPAMs through a third-party platform of approved investment managers made available by agreement between IDB Lido and the platform

provider, or through an arrangement between IDB Lido and TPAMs. IDB Lido will utilize TPAMs that are affiliated with IDB Lido for certain strategies. In those instances, IDB Lido will provide further information concerning these TPAMs as well as the nature and scope of its affiliation, among other information. *See Item 11* (Code of Ethics, Participation or Interest in Client Transactions and Personal Trading).

TPAMs have discretionary authority over those assets allocated to them and they are authorized to buy, sell, and trade in securities in accordance with the client's investment objectives, risk tolerance, and time horizon, among other factors. If and when IDB Lido determines that a TPAM is in the client's best interest, IDB Lido, on the client's behalf, or the client will enter into a separate and independent advisory relationship with that TPAM. As such, the client will incur fees separate from and in addition to any fees charged by IDB Lido. The TPAM may invoice its fee to the client through IDB Lido or debit the client's custodial account directly.

IDB Lido continues to monitor the TPAMs to ensure the TPAMs adhere to the philosophy and investment style for which they were selected and will provide recommendations to the client accordingly. If the client has entered into a direct relationship with the TPAM, only the client can terminate that relationship.

4. Sub-Advisory Arrangements

In certain circumstances, IDB Lido will enter into a sub-advisory arrangement for management of a particular style or strategy desired by or suitable for clients. Certain sub-advisors are affiliated with IDB Lido. In those instances, IDB Lido will provide further information concerning these sub-advisors as well as the nature, scope, among other information, of its affiliation. *See Item 11* (Code of Ethics, Participation or Interest in Client Transactions and Personal Trading).

IDB Lido will conduct due diligence on each sub-advisor, which will include review of its quarterly performance returns, management team, and adherence to the guidelines and restrictions of the strategy. In its sole discretion, IDB Lido has the authority to add, replace, or remove any sub-advisor on behalf of a client without the client's prior consent.

5. Financial Planning

IDB Lido also offers financial planning services. These services include, but are not limited to, providing advice on the following:

- Investment portfolio analysis and asset allocation;
- Evaluation of outside investment accounts and assessment of overall financial position;
- Insurance and risk management evaluation;
- Estate and retirement planning;
- Tax awareness;
- Wealth transfer and charitable giving;
- College savings; and
- Family governance and living expense considerations.

To begin the process, IDB Lido will generally collect, organize, and assess client data including information concerning the client's lifestyle, risk tolerance, and cash flow, as well as identification of the client's financial concerns, goals, and objectives. IDB Lido's primary objective is to assist clients in developing a strategy for the successful management of income, assets, and liabilities to meet their financial goals and objectives.

IDB Lido will provide clients with a comprehensive plan and options of utilizing IDB Lido to implement this plan. Should a client adopt IDB Lido's plan, IDB Lido will advise on potential conflicts of interest arising from IDB Lido's use of its own advisory services or products including those offered in connection with pre-existing broker dealer or insurance agency relationships. Finally, IDB Lido makes no assurances that its plan will be successful in meeting a client's financial goals and objectives.

In some circumstances, IDB Lido will charge an additional fee for advanced financial planning. Such arrangements will be negotiated with the client in terms of services needed and fees charged and be memorialized under separate agreement. The fees for these advanced planning services will vary based on the service required and are negotiable.

Clients can accept or reject IDB Lido's plan and may retain the authority and discretion over all implementation decisions. Should the client proceed with IDB Lido's plan, potential conflicts of interest will arise as IDB Lido will likely utilize its own allocations, strategies, products or services and will receive fees or other monetary benefits as a result.

A client, however, is under no obligation to utilize IDB Lido's plan or its services to implement the plan. *See Item 11* (Code of Ethics, Participation or Interest in Client Transactions and Personal Trading).

6. Family Office Services

IDB Lido also offers a broad range of family office services, which include non-investment related matters, such as a review of estate and tax planning issues. IDB Lido and its Investment Adviser Representatives ("IARs") do not provide specific estate or income tax advice but will introduce the client to affiliated or unaffiliated accountants or attorney. IDB Lido will also work directly with a client's advisor as needed. A client who initially engages IDB Lido for consultation services only and later wishes to engage IDB Lido for discretionary investment management services is required to enter into a separate written agreement with IDB Lido for those services, for which IDB Lido will be paid a separate and additional fee based on the client's assets under management.

7. Financial-Related Services through Affiliates and Third Parties

IDB Lido has arranged for affiliates and third parties, such as independent contractors and other licensed professionals, to provide clients with certain financial-related services that supplement or are complementary to the aforementioned advisory services. These financial-related services, which include, but are not limited to, estate planning, tax consulting, tax preparation, and corresponding legal advice on such matters, will incur additional fees, which may, at IDB Lido's discretion, be offset by a corresponding credit, in full or in part, against other IDB Lido fees, including, but not limited to, IDB Lido's Asset Management fee or a direct payment, in full or in part, by IDB Lido to these affiliates or certain third parties. *See Item 5* (Fees and Compensation). Clients will in almost all instances engage directly with IDB Lido affiliates or third parties for these financial-related services. During this process, IDB Lido, its affiliates, or the third-parties will provide additional information concerning the nature and scope of the financial-related services, the relevant agreements concerning the provision of such

services, and disclosures concerning any actual or potential conflicts. *See Item 11* (Code of Ethics, Participation or Interest in Client Transactions and Personal Trading).

C. Important Information About All IDB Lido Services

1. Gathering Individual Client Information

IDB Lido's investment advice is customized to each client's portfolio based upon the individual needs, objectives, and other financial goals of the client. At the onset, IDB Lido will memorialize a client's investment objectives, risk tolerance, time horizon, and other relevant information in a client's Risk Profile, IPS, or similar document. The Risk Profile or IPS, together with the information gathered by IDB Lido will be used to determine an investment strategy or financial plan.

A client is also responsible for promptly notifying IDB Lido in writing of any material changes in the client's financial situation, investment objectives, risk tolerance, time horizon, or any other factor that may impact IDB Lido's recommended investments.

IDB Lido requires a client to execute certain agreements reflecting the terms and conditions of IDB Lido's services (collectively, the "Agreement"). The Agreement sets forth the entirety of IDB Lido's and a client's relationship and can only be amended or modified in writing upon both IDB Lido's and the client's agreement. An IDB Lido IAR will generally meet with all clients no less than annually to review the client's investment goals and current advisory portfolios. IDB Lido IARs are also available during normal business hours to consult with clients.

2. Client Relationship

IDB Lido substantially relies on the information provided by the client and that client's other advisors, such as accountant and lawyers, to provide its services. A client authorizes IDB Lido to rely on this information and IDB Lido will not assume any responsibility for information provided by a client or third parties on behalf of the client. IDB Lido's relationship with a client is further described in this Brochure and certain Brochure Supplements (Form ADV Part 2B), which are provided to the client at the onset of the relationship. IDB Lido's and the client's relationship will remain in effect until the Agreement is terminated by either IDB Lido or the client. IDB Lido does not participate in any wrap fee programs.

D. Assets Under Management

IDB Lido is a newly registered investment adviser and as of the date of this Brochure, the Firm does not have any assets under management.

ITEM 5: FEES AND COMPENSATION

A. Advisory Fees

IDB Lido typically charges a percentage fee based on a client's total assets managed by IDB Lido ("Asset Management fee"). IDB Lido has also entered into other fee arrangements including, but not limited to, fixed fees based on client specific circumstances, or the advisory service being rendered. The Agreement will reflect all fee arrangements with the client. Although IDB Lido believes its fees are competitive, the client should be aware that lower fees for comparable

services may be available from other sources.

1. Asset Management Fees

IDB Lido's Asset Management fee is calculated based on a variable, annual percentage determined by the client's managed assets' value as of the last quarter end. The variable annual percentage is determined by the client's managed assets' value reflected below:

Percentage	Managed Asset Amount
1.25%	on account assets under \$2,000,000
1.00%	over \$2,000,000

This fee schedule applies only to IDB Lido's Asset Management fee. Other fees, such as those levied by custodians, TPAMs, or sub- advisors, will be in addition to the Asset Management fee.

Relevant in determining the total Asset Management fee is IDB Lido's valuation of the client's account at the time the fee is assessed. IDB Lido determines the client managed assets' value in order to calculate its Asset Management fee. When determining market value of an account for purposes of calculating advisory fees, IDB Lido's policy is as follows.

- For all publicly-traded, marketable securities held by the client, IDB Lido will receive daily prices electronically from a third- party provider, which are reconciled with daily prices received by clients' custodians. Any noted discrepancies are promptly corrected, and the reconciled prices are used for determining market value. Market value of an account includes securities and cash and cash equivalents in the account.
- For privately-held, hard to value, or illiquid (where no public market or ready access to buyers or sellers) securities, such as Alternative Investments, IDB Lido will calculate the value by analyzing values provided by the third-party managing the investment, IDB Lido's own valuation due diligence practices, and at least a quarterly review of those investments.

The Asset Management fee will be prorated by quarter and paid per quarter in arrears in four quarter increments. IDB Lido will determine the average daily balance of a client's assets on the fifteenth (15th) of the last month of each quarter and will assess the Asset Management fee based on that average daily balance for each day of that quarter. This calculation will include the market value of assets held on margin. For example, for the first quarter, IDB Lido will determine the average daily balance of the client's assets on March 15 and use that average daily balance to calculate the Asset Management fee from January 1 through March 31.

A \$2,500 minimum Asset Management fee per quarter applies, and the minimum fee is not reduced by fees or other amounts paid to Oakhurst. IDB Lido has discretion to waive or reduce this minimum. IDB Lido also has discretion to waive or reduce the Asset Management fee with respect to any client, based on account size, the investment strategy, and the relationship between the client and IDB Lido. IDB Lido generally waives fees for its employees and their friends or relatives. IDB Lido, at its discretion, will provide billing credits against our management fees for professional legal and tax services to qualifying clients. Lower fees for comparable services may be available from other sources.

Finally, should a client begin its relationship with IDB Lido in the middle of a quarter, the Asset Management fee will be prorated for assets held for a partial quarter based on the number of days that the account was open during the quarter. If IDB Lidos services are terminated prior to quarter end, IDB Lido will prorate the Asset Management fee.

See Item 13 (Review of Accounts).

2. Solicitor Fees, Referral Arrangements and Fees

IDB Lido will utilize solicitors that solicit and refer clients to the firm and receive compensation from IDB Lido for the referrals. *See Items 11 (Code of Ethics, Participation or Interest in Client Transactions and Personal Trading) and 14 (Client Referrals and Other Compensation).* IDB Lido can, as an accommodation to a client, track or monitor client assets that are not being actively managed in which IDB Lido has no discretionary authority. IDB Lido will incorporate these unmanaged assets into a customized and comprehensive periodic client report. IDB Lido will typically charge a reduced annual fee for these unmanaged assets of 0.25%. As with all its fees, IDB Lido retains discretion on its application and amount.

3. Fixed Management Fees

IDB Lido will generally negotiate a fixed rate management fee with certain ultra-high-net-worth clients. This fixed fee generally includes other services, such as tax and estate planning, in coordination with a client's advisors, such as lawyers and accountants, and concierge services. IDB Lidos billing schedule varies based on individual client negotiations. IDB Lido will refund any prepaid unearned fees should its relationship with the client end.

4. Client Consultation Fees

IDB Lido offers consultation services at a \$500 hourly or negotiated fixed rate. IDB Lido will maintain sole discretion as to these rates. In some circumstances, IDB Lido will charge an additional fee for advanced financial planning. Such arrangements will be negotiated with the client in terms of services needed and fees charged and be memorialized under separate agreement. The fees for these advanced planning services will vary based on the service required and are negotiable.

5. Billing Authorization

A client authorizes the automatic debit of quarterly fees through the custodial account as soon as practicable following the last business day of each calendar quarter. A client may pay IDB Lidos quarterly fees by check. In such cases, IDB Lido will send the invoice directly to the client. The custodian will issue periodic statements (at least quarterly) to the client that will reflect any fees paid to IDB Lido. IDB Lido will also provide information concerning its fees on a periodic basis. A client will then be able to compare fees to accuracy, the independent custodian's statements and IDB Lidos information. *See Item 13 (Review of Accounts).*

B. Other Fees and Expenses

IDB Lido's fees do not include third-party fees, such as custodial, mutual funds, ETFs, TPAMs, and Alternative Investment-related fees and expenses. The client is also subject to, as applicable, transaction costs, retirement plan administration fees,

deferred sales charges on mutual funds initially deposited in the account, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes.

IDB Lido, in certain circumstances, will absorb third-party fees, including, but not limited to, fees charged by Alternative Investments, TPAMs, and other third parties. In those instances, IDB Lido will inform the client. A client should review all IDB Lido and third-party fees charged, in addition to the IDB Lido fees, to understand the full cost of IDB Lido's investment recommendations. Notably, all fees will have a substantial impact on an investment's overall performance and must be accounted for in a client's investment decisions.

1. General Mutual Fund and ETF Fees

Client assets invested in mutual funds and/or ETFs will be subject to certain fees and expenses imposed directly by mutual funds and ETFs to their shareholders, which are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a distribution fee (e.g., 12b-1 fees). These fees are referred to as a fund's "expense ratio" and are deducted at the mutual fund level when calculating the fund's net asset value ("NAV"). The deduction of these fees has a direct bearing on the fund's performance. If a mutual fund also pays sales charges, a client would pay initial or deferred sales or surrender/redemption charges.

In addition, certain open-end mutual funds offer different share classes of the same fund and one share-class can have an expense ratio and sales/redemption fees that are higher than another share class. The most economical share class will depend on certain factors, including but not limited the amount of time the shares are held by a client and the amount a client will be investing. Mutual fund expense ratios and sales/redemption fees vary by mutual fund, so it is important for a client to read the mutual fund prospectus to fully understand all the fees charged.

Transaction costs also factor into the overall costs when investing in mutual funds. Such costs can be charged by the broker-dealer for both purchases and redemptions. Some custodians offer certain higher share class mutual funds for purchase at no transaction cost. Therefore, IDB Lido will purchase a more expensive share class whenever the firm determines, based on facts and circumstances that such transaction would be the most economical for a client. The firm also will transfer a client into a lower cost share class at a later time if the firm determines it is available and the transfer would be beneficial for the client. In addition, should a new client hold any mutual funds when opening an account with IDB Lido, the firm determine whether such mutual fund remains suitable and in line with the client's investment objectives, and if so, the firm will check to see if a lower share class is available, as applicable. If there is and it is determined to be more economical for the client based on appropriate facts and circumstances, then IDB Lido will transfer the client into the lower share class. However, there can be times when IDB Lido does not have access to lower costs share classes. This mainly happens when the client's custodian does not offer a lower cost share class for some or all the mutual funds bought for and/or held in client accounts, or the investment amount does not meet the share class minimum investment requirement.

2. IDB Lido-affiliated Mutual Fund Fees

IDB Lido may, at its discretion, invest clients in the Oakhurst Strategic Defined Risk Fund ("OASDX") or the mutual funds

managed by Oakhurst Capital Management, LLC ("OCM Funds").

OASDX is managed by IDB Lido's affiliate, Oakhurst. Oakhurst earns management fees, among other fees, for advising OASDX. As certain IDB Lido principals have an ownership interest in Oakhurst, a conflict of interest exists as certain IDB Lido principals economically benefit from client investment in these funds. IDB Lido addresses this conflict through disclosure to its clients investing in OASDX and assessing whether similar strategies can be executed on behalf of the client with similar effect and lower costs. In certain instances, IDB Lido may elect to waive or reduce its Asset Management fee on client assets invested in OASDX. *See Item 11* (Code of Ethics, Participation or Interest in Client Transactions and Personal Trading).

3. IDB Lido-affiliated Joint Venture Fees

Oakhurst Capital Management, LLC ("OCM"), an affiliated joint venture between Lido Advisors and an independent, unaffiliated SEC-registered investment adviser, manages OCM funds that may be utilized by IDB Lido to manage certain of its clients' assets. Lido Advisors is a less than majority owner of OCM, has certain material governance rights, and does not have day-to-day operating authority. As Lido Advisors has an ownership interest in OCM, a conflict of interest exists because Lido Advisors and certain owners of IDB Lido, will benefit economically from IDB Lido client investments in OCM funds. IDB Lido addresses this conflict through disclosure to its clients investing in OCM funds and assessing whether similar strategies can be executed on behalf of the client with similar effect and lower costs. In certain instances, IDB Lido may elect to waive or reduce its Asset Management fee on client assets invested in OCM funds. *See also Item 11* (Code of Ethics, Participation or Interest in Client Transactions and Personal Trading).

4. IDB Lido-affiliated Alternative Investment Fees

A client invested in Alternative Investments, such as Private Funds, is also subject to management fees, performance fees, and other expenses as described in the Alternative Investments' offering materials. These fees are in addition to IDB Lido's fees.

IDB Lido has negotiated substantial discounts for investments in Oakhurst-affiliated real estate-related Private Funds, which will be reflected in the applicable Oakhurst offering materials.

In certain circumstances, Oakhurst negotiates an equity stake in the managing member of Oakhurst-affiliated Private Funds. As a consequence, certain IDB Lido principals, by virtue of their ownership interest in Oakhurst, receive compensation should the Oakhurst-affiliated fund managing member receive certain compensation, including, but not limited to, performance fees, which creates a conflict of interest with IDB Lido and any IDB Lido client that invests in these Oakhurst-affiliated Private-Funds. Oakhurst will disclose such arrangements in these Oakhurst-affiliated Private Funds' offering materials. *See Item 11* (Code of Ethics, Participation or Interest in Client Transactions and Personal Trading).

IDB Lido clients that have invested in certain Oakhurst "feeder" funds - funds that have invested in other independent, third-party operator funds - are also charged other transaction and real property-related fees by third-party-operator funds, including, for example, acquisition and disposition fees, property and improvement management fees, and loan origination and exit fees. These fees are charged in addition to any IDB Lido fees charged to its clients.

These fees and any discounts vary based on, for example, the amount of capital invested by IDB Lido clients, and whether the specific Oakhurst-affiliated fund is a "feeder" fund. These amounts are in addition to fees charged by IDB Lido. Additional information regarding the negotiated fees is available in Oakhurst's Brochure, which is available at <https://adviserinfo.sec.gov>.

5. Third-Party Asset Manager Fees

TPAMs will also charge fees in addition to IDB Lido fees. TPAMs will provide disclosures relating to those fees in their respective Form ADV Part 2A, which will be provided at time of engagement of the TPAM and should be fully read

6. IDB Lido-affiliated or Third-Party Research Fees

IDB Lido will, in certain instances, charge its clients for specific research services provided by affiliates or third parties that are specifically tailored to certain strategies utilized for its clients. In those instances, clients will be notified of the nature and scope, the fee incurred, and any actual or potential conflicts resulting from such services.

7. Broker Dealer/Custodian Fees

Clients will incur brokerage commissions and other execution costs charged by the custodian or executing broker dealer in connection with transactions for a client's account. Clients should further understand that all custodial fees and any other charges, fees and commissions incurred in connection with transactions for a client's account will be paid out of the assets in the account and are exclusive of and in addition to the fees charged by IDB Lido.

See Item 12 (Brokerage Practices).

ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

IDB Lido does not charge fees calculated based on a share of capital gains upon or capital appreciation of an investment, otherwise termed performance-based fees. Consequently, IDB Lido does not engage in side-by-side management of accounts that are charged a performance-based fee with accounts that are charged another type of fee.

ITEM 7: TYPES OF CLIENTS

A. Clients

IDB Lido offers advisory services to high-net-worth individuals, pension and profit-sharing plans, trusts, estates, charitable organizations, corporations, insurance companies, and other types of business entities.

B. Client Accounts

IDB Lido generally requires a minimum of \$1 million to open an account. IDB Lido may waive this minimum as well as decline any potential client for any reason. IDB Lido's client relationship is reflected in the Agreement. *See Items 4 (Advisory Business) and 5 (Fees and Compensation).*

Clients covered under the Employee Retirement Income Security Act of 1974, as amended (“ERISA”) will be provided certain required disclosures to the “responsible plan fiduciary” in accordance with ERISA Section 408(b)(2). These disclosures provide written notice setting forth IDB Lido services and the direct and indirect compensation IDB Lido receives from the services. IDB Lido provides information related to its compensation arrangements in its Brochure and Agreement. These disclosures are collectively designed to enable the ERISA fiduciary to determine the reasonableness of all compensation received by IDB Lido, identify any conflicts of interests, and satisfy reporting and disclosure requirements to plan participants.

A client meeting the definition of “qualified client” prior to the definitional change is grand fathered from these new requirements.

ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

A. Methods of Analysis and Investment Strategies

IDB Lido analyses its recommended investments using a combination of qualitative and quantitative information, including, but not limited to, news, financial publications, internal and external research reports, interviews, prospectuses, and exchange market data. *See Items 4 (Advisory Business), 10 (Other Financial Industry Activities and Affiliations), 12 (Brokerage Practices), and 14 (Client Referrals and Other Compensation).* IDB Lido recommends investment strategies that are informed by each client’s investment objectives, risk tolerance, and time horizon, among other factors. IDB Lido will also:

- Redistribute investment allocations in order to diversify a client’s portfolio and in an effort to reduce risk and increase performance.
- Utilize specific investments to increase sector weighting and/or dividend potential and employ cash positions in an effort to hedge against market movement.
- Sell positions for reasons that include, but are not limited to, harvesting capital gains or losses, business or sector risk exposure to a specific security or class of securities, overvaluation or overweighting of the position(s) in a client’s portfolio, change in the risk tolerance of the client, or any risk deemed unacceptable for the client’s risk tolerance.

IDB Lido provides no assurances that these strategies will ultimately meet client objectives. IDB Lido’s recommended investments bear risk, some more than others, and a client should be prepared to assume those risks, including the potential for complete loss. *See Item 4 (Advisory Business).*

B. Material Risks

IDB Lido’s recommended investments, as with all securities, involve a significant risk of loss, including, but not limited to, complete loss of any initially invested capital or principal. IDB Lido’s recommendations are subject to various market, currency, economic, political, and business risks, and these investment decisions are not always profitable. Moreover, there is risk that the initial principal will be lost due to these risks. Clients must be prepared to bear these risks and the possibility of total loss for any IDB Lido recommended investment. IDB Lido cannot and does not make any assurance that any recommended investment will successfully meet a client’s expectations.

Before investing, clients should:

- Commit assets that can be invested on a long-term basis, usually a minimum of three to seven years, at times even longer horizons;

- Understand that volatility from investing can occur and recommended investments can fluctuate widely; and
- Understand that over time the client's assets may be valued more or less than the amount invested.

IDB Lido typically invests for the long-term and generally does not engage in daily or high-frequency trading. Nevertheless, TPAMs selected by IDB Lido can employ such strategies, and as a result, such frequent trading can result in increased brokerage and other transaction costs, which may lower an investment's overall performance.

The following is an outline of overall risks relevant to the asset classes utilized by IDB Lido:

- **COVID-19 Pandemic Risks:** The COVID-19 pandemic has caused severe disruptions in the global economy, and may have a material, negative impact on all IDB Lido recommended investments. As of the date of this Brochure, there is an outbreak of a highly contagious form of a novel coronavirus, which the World Health Organization has declared a global pandemic, the U.S. has declared a national emergency, and for the first time in its history, every state in the U.S. is under a federal disaster declaration. Many states have issued orders requiring the closure of non-essential businesses and/or requiring residents to stay at home, although as of the date of this Brochure, many of these orders are being terminated or modified to allow more business activity. Additionally, the U.S. Food and Drug Administration has recently approved several vaccines for the novel coronavirus, though distribution of the vaccine has been slower than expected so far and is likely to take at least several quarters before a sufficient number of people have been vaccinated to substantially reduce the rate of infection. The novel coronavirus has also been mutating over time - the rate of spread may accelerate and/or the effectiveness of the approved vaccines may be compromised or reduced by any mutation that may appear in the future. The COVID-19 pandemic and preventative measures taken to contain or mitigate its spread have caused, and are continuing to cause, business shutdowns, cancellations of events and travel, significant reductions in demand for certain goods and services, reductions in business activity and financial transactions, supply chain interruptions and overall economic and financial market instability both globally and in the U.S. Such effects will likely continue for the duration of the pandemic, which duration is uncertain.
- **Market Risk:** A security's price can drop for any reason, including reasons independent of the security's underlying assets' perceived value in reaction to tangible and intangible, publicly known and unknown events and conditions.
- **Equity Risk:** Historically, the equity markets have moved in cycles, and the value of equity securities can fluctuate significantly from day-to-day. A public company may report poor results or be negatively affected by industry or economic trends and developments. Consequently, a public company's securities can suffer a price decline in response. These factors contribute to price volatility.
- **Business Risk:** This risk is associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity regardless of the economic environment.
- **Foreign Risk:** Investments in foreign securities pose special risks, including currency fluctuation and political risks, and these investments can be more volatile than that of a U.S. public company's securities. The risks are generally

intensified for investments in emerging markets.

- **Currency Risk:** Foreign investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Political and Legislative Risk:** Public companies face a complex set of laws and circumstances in each country in which they operate. The political and legal environment can change rapidly and without warning, with significant impact, especially for companies operating outside of the U.S. or those companies who conduct a substantial amount of their business outside of the U.S.
- **Credit Risk:** The risk that principal and/or interest on a fixed income investment will not be paid in a timely manner or in full due to changes in the financial condition of the issuer. Generally, the higher the perceived credit risk, the higher the rate of interest investors will receive on their investment.
- **Interest Rate Risk:** The risk that the value of an interest-bearing investment will change due to changes in the general level of interest rates in the market. The market value of a bond fluctuates inversely to the change in interest rates; that is, as interest rates rise, bond prices fall and vice versa. Interest rate risk is commonly measured by a bond's duration; the greater a bond's duration, the greater the impact on price of a change in interest rates. Investors can incur a gain or loss from bonds sold prior to the final maturity date. Many bonds are rated by third-party Nationally Recognized Statistical Rating Organization (NRSRO), for example, Moody's Investor Services or Standard & Poor's Inc. While ratings may assist investors to determine the creditworthiness of the issuer, they are not a guarantee of performance. U.S. Treasury bills, notes and bonds are guaranteed by the full faith and credit of the U.S. and therefore are deemed to carry no risk of default.
- **Reinvestment Risk:** The risk that interest and principal payments from a bond will be reinvested at a lower yield than that received on the original bond. During periods of declining interest rates, bond payments may be invested at lower rates; during periods of rising rates, bond payments may be invested at higher rates.
- **Call Risk:** The risk that a bond will be called by its issuer. A callable bond has a provision which allows the issuer to purchase the bond back from the bondholders at a predetermined price. Generally, issuers call bonds when prevailing rates are lower than the cost of the outstanding bond. Call provisions allow an issuer to retire high-rate bonds on a predefined call schedule.
- **Prepayment Risk:** Some types of bonds are subject to prepayment risk. Similar to call risk, prepayment risk is the risk that the issuer of a security will repay principal prior to the bond's maturity date, thereby changing the expected payment schedule of the bonds. Prepayment risk is particularly prevalent in the mortgage-backed bond market, where a drop in interest rates can trigger a refinancing wave. When investors in a bond comprised of the underlying pool of mortgages receives his or her principal back sooner than expected, they may be forced to reinvest at prevailing, lower rates.
- **Liquidity Risk:** The risk stemming from the lack of marketability of an investment that cannot be bought or sold quickly enough to prevent or minimize a loss. Liquidity risk is typically reflected in a wide bid-ask spread or large price movements or recover invested capital to meet other financial needs. Alternative Investments typically are subject to this risk.
- **Inflation Risk:** When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.

- **Opportunity Cost Risk:** The risk that an investor can forego profits or returns from other investments.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

The following is an outline of risks pertaining to strategies involving options utilized by IDB Lido:

- **Call Risk:** When writing covered call options to produce income for a client's account, there can be times when the underlying stock is "called" (call option contract exercised or assigned) by the investor that purchased the call option. That means the client would be required to sell the underlying security at the exercise (pre-determined) price to that investor.
- **Margin Risk:** Clients are usually required to open a margin account in order to invest in options, which carries additional risks and would result in margin interest costs to the client.
- **General and Specific Market Rule:** Option positions tend to be adversely affected by company specific issues (the issuer of the underlying security) which can include but are not limited to bankruptcy, insolvency, failing to file with regulatory bodies, being delisted, having trading halted or suspended, corporate reorganizations, asset sales, spin offs, stock splits, mergers and acquisitions. In addition, market related actions, political issues, and economic issues may adversely affect the option market. These factors could restrict, halt, suspend, or terminate option positions written (sold) or purchased.
- **Valuation Risk:** Changes in value of the option do not always correlate with the underlying security, and the account could lose more than principal amount invested.

Options involve a high degree of risk and are not suitable for all clients. A client should read "Characteristics and Risks of Standardized Options", which can be obtained from any exchange on which options are traded, at www.optionsclearing.com, by calling 1-888-OPTIONS, or by contacting your broker or custodian.

The following outlines risks relevant to Alternative Investments recommended by IDB Lido:

IDB Lido recommends Alternative Investments, including Private Funds, as an integral part of its overall investment strategy. In making these recommendations, IDB Lido evaluates clients on a number of factors, including, but not limited to, sophistication, risk tolerances and qualifications, investment objectives, and available assets. IDB Lido endeavors to allocate Alternative Investments to clients in a fair and equitable manner, but not all qualifying clients will have an opportunity to invest. A client's Alternative Investments are held at the custodian selected by each Alternative Investment sponsor or investment manager. Alternative Investment performance is typically reported directly by sponsor or manager and is monitored by IDB Lido.

Clients should review all offering materials, including private placement memoranda, if applicable, before investing as these materials provide important information about the investment's terms and conditions, risk factors, and potential conflicts of interest. IDB Lido may also provide additional material to highlight important information concerning the Alternative Investment. This may include, but is not limited to, information concerning:

- **Liquidity Risk:** Most, if not all, Alternative Investments do not have a ready, public market for resale. In those

instances, a client cannot sell or otherwise dispose of the investment. In instances where a client is provided an opportunity to divest, those opportunities carry significant fees and potential loss in value. In other words, a client will be unable to sell the Alternative Investment without substantial loss, including principal loss.

- **Capital-Deployment Risk:** Certain Alternative Investments, particularly those involving real estate, may not have immediate opportunities to deploy investor capital. Although a client may have invested in the Alternative Investment, that investment may not be immediately utilized because appropriate opportunities may not yet exist or have been identified. As such, a client's investment may not be used until such opportunities are available, which may have an immediate and detrimental impact on a client's overall expected and actual return.
- **Tax Risk:** Many Alternative Investments are structured as limited partnerships. As a result, a client will receive K-1 s reflecting that limited partnership interest. In addition, depending on the nature of the Alternative Investment, these K-1 s may be issued for multiple states, resulting in a client filing taxes in those states. Finally, a client may be required to file tax filing extensions as these K-1 s may be issued after the tax deadline.
- **Bridge Loan Financing Risk:** If a client is contemplating an Oakhurst-affiliated investment, Oakhurst may have obtained a bridge loan to initially fund the investment. If Oakhurst obtained a bridge loan, that bridge loan may be structured so that investor monies will be used to pay the bridge loan interest until repayment. In those circumstances, a client's investment will be used to satisfy the interest obligation until the bridge loan is paid in full, which will have an adverse impact on the timing of returns and expected and actual performance.
- **Suitability Risk:** IDB Lido may recommend Alternative Investments as part of its overall investment strategy. These investments present unique risks that include but are not limited to, illiquidity, higher fees, volatile performance, heightened risk of loss, limited transparency, special tax considerations, subjective valuations and limited regulatory oversight. Thus, IDB Lido only recommends these investments to clients that it believes can bear these risks. A client must also meet regulatory requirements to be eligible to make these investments, including minimum net worth and sophistication requirements. Any client investing in an Alternative Investment must carefully review corresponding offering documents to understand, among other things, the terms, conditions, risks, and conflicts of interest of the investment.
- **Performance-Based Fee Incentive Allocation Risk:** Alternative Investments often impose performance- based fees or incentive allocations payable to the fund manager or general partner. Those performance- based fee or incentive allocation structures create an incentive for the managers of these investments to make investment choices that are riskier or more speculative than would be the case in the absence of a performance-based fee/incentive allocation structure. When applicable, the performance-based fee structure could also cause those managers to devote a disproportionate amount of time to manage these investments, and compensation may be larger than it otherwise would have been because the fee/incentive allocation will be based on account performance instead of a percentage of assets under management. *See Item 6 (Performance-Based fees and Side-by-Side Management).*
- **Leverage/Hedging Risk:** Certain Alternative Investments employ the use of leverage or hedging, which also creates additional risk. Leverage is the use of debt to finance an activity. Hedging on the other hand occurs when an investment is made in order to reduce the risk of adverse price movements in a security. For example, hedging is used when one takes an offsetting position in a related security, such as an option or short sale. While leverage or hedging can operate to increase rates of return, it also increases the amount of risk inherent in an investment.

- **"Fund-of-Funds" Risk:** IDB Lido also recommends Alternative Investments that are considered "funds of funds" and the investments and strategies for some of the underlying portfolio funds include leverage, short sales, uncovered options, futures, derivative instruments, forward and swap foreign exchange contracts, non-U.S. securities, "junk" bonds, and illiquid investments. These investments carry high costs, substantial risks, such as the risks inherent in an investment in securities, as well as specific risks associated with each underlying fund's investment strategy.

The following outlines risks relevant to First Trust Deeds and Real Property:

IDB Lido recommends to certain clients that they consider investments in first trust deeds (whereby the client will lend money to a borrower to purchase real property and in return, receives a deed of trust on the real property until the loan is paid in full). In other cases, IDB Lido will recommend certain Alternative Investments that utilize invested assets to purchase real property (e.g., private residences, commercial property or a combination of both) or first trust deeds. While IDB Lido believes these investments are suitable for certain clients, these investments may have substantial risk. There is no publicly traded securities market for these types of investments. In addition, investments in trust deeds and real estate are not insured by the Federal Deposit Insurance Corporation (FDIC) or any other state or federal agency.

The following outlines the risks specific to First Deed Trusts:

- **Valuation Risk:** The value of the underlying property is appraised as of a specific date. There is no guarantee or assurance that the appraised value reflects a value that a buyer would be willing to pay.
- **Borrower Risk:** The borrower's ability to continue to make payments and repay the loan will depend upon the borrower's financial condition, which could change over time.
- **Default Risk:** Default by the borrower could affect monthly payments. Under extreme cases, it may be necessary to foreclose or take other actions to protect your investment. The total amount received upon foreclosure could be more or less than the total amount invested.
- **Bankruptcy Risk:** If a borrower files a reorganization or full insolvency bankruptcy, the foreclosure process could be stalled. Additionally, investors could incur significant legal fees and costs in attempting to obtain a relief. (Relief consists of getting court approval to release the property out of the bankruptcy so that the property can be foreclosed upon.) Furthermore, the court could modify the terms of the loan by extending the due date, changing the interest rate and payment structure, or causing the priority of the loan to be subordinated to a bankruptcy court-approved financing plan.
- **Environmental Risk:** Investing in any trust deed investment also is subject to possible loss due to uninsured losses from disasters such earthquakes, floods, tsunamis, terrorist attacks, etc. Clients should carefully review the risk factors section in the relevant offering documents for complete information.

The following outlines the risks specific to Real Property:

- **Real Estate Market Risk:** The value of the real estate property is generally appraised upon purchase. Over time, the value of the real estate property can vary widely depending on market conditions. There is no guarantee or assurance that the carried value reflects a value that a buyer would be willing to pay.
- **Foreclosure Risk:** If the real estate investments are obtained by a loan and the borrower is unable at any time to make the loan payments, it may cause the holder of the note to foreclose or take other actions to protect their

investment.

Additional risks include economic conditions, neighborhood values, interest rates, the supply of and demand for properties of like kind, the ability of the borrower to obtain necessary alternative financing and certain city, state and/ or federal regulations. Investing in any general real estate investment also is subject to possible loss due to uninsured and unpredictable losses from acts of nature or systemic shocks such as earthquakes, floods, tsunamis, terrorist attacks, and acts of war. Clients should carefully review the risk factors section in the relevant offering documents for complete information. These risks are in addition to the principal risks associated with investing in a private investment vehicle, which are outlined in their respective offering materials provided to clients prior to investing.

The following outlines risks relevant to Bridge Loans:

Oakhurst or other third parties may independently request that certain ultra-high-net-worth clients contemplate bridge loan opportunities. *See Item 11* (Code of Ethics, Participation or Interest in Client Transactions and Personal Trading). IDB Lido may play a role on behalf of clients exploring these opportunities. There are material risks involved in bridge loan investment opportunities. Bridge loan opportunities are high risk investments that are only suitable for clients that can tolerate complete loss of the Bridge loan, which may be in upwards of \$10 million.

A bridge loan is a short-term investment which provides interim financing until next stage or permanent financing is made available. Bridge loans are typically for and provided to Oakhurst and are used for Oakhurst-affiliated investments, namely to purchase commercial real estate or to develop a property and may offer a higher rate of return than other investments. Bridge loans have substantial risks and there is no guarantee that, for example, Oakhurst-affiliated investments will be formed, completed, or meet client expectation on performance. Clients considering bridge loans should consult with their legal counsel prior to committing to a bridge loan.

The following outlines risks relevant to Oakhurst-affiliated investments:

- **Concentration Risk:** Notably, the majority of Oakhurst investors originate from Lido Advisors, which causes a potential bias in the level of due diligence provided by IDB Lido related to the fund investments. This is mitigated through the use of an independent due diligence service provider that evaluates the strength of the underlying investment opportunities, including, but not limited to, if applicable, the underlying sponsor's or operator's business operations, track record, and regulatory compliance. IDB Lido and Oakhurst also will meet on an ad hoc and routine basis to discuss due diligence. Should IDB Lido determine that following due diligence performed, the fund, sponsor or operator, or underlying assets are not suitable for client investment, IDB Lido will not proceed. As IDB

Lido and Oakhurst have certain common ownership, efficiencies can be created through due diligence by both or either entity. IDB Lido's and Oakhurst's affiliation, however, does create potential conflicts of interest. Furthermore, due to the concentration of Lido Advisors' clients in the Oakhurst-affiliated investments, certain risks exist related to Oakhurst's reliance on Lido Advisors to fund its offerings, and due to the affiliations, there is the potential for IDB Lido investment adviser representatives to be biased in their recommendations to the Oakhurst-affiliated investments in order for certain real estate deals to close. *See Item 11* (Code of Ethics, Participation or Interest in Client Transactions and Personal Trading).

- **Control Risk:** In addition, in most if not all cases, the Oakhurst-affiliated investments are minority investors in the underlying opportunity and do not have management rights or voting control rights. Therefore, investors in the Oakhurst-affiliated investments do not have the power to exercise significant control over the activities of the underlying company, and thus, must rely upon the judgment and experience of the underlying company and its managers, officers, directors, employees and affiliated individuals and entities.

Additional conflicts of interest and policies to address those conflicts are disclosed in *Item 11* (Code of Ethics, Participation or Interest in Client Transactions and Personal Trading).

ITEM 9: DISCIPLINARY INFORMATION

IDB Lido is required to disclose all material facts regarding any legal or disciplinary events in the past ten years that would be material to a client's or prospective client's evaluation of IDB Lido or the integrity of its management. IDB Lido does not have any of these legal or disciplinary events and thus has no information to disclose with respect to this *Item 9*.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

A. Other Financial Industry Activities

1. Passive Ownership Interests / Passive Investment Affiliations

- **Discount Bancorp, Inc.** – is the majority owner of IDBNY and a passive indirect owner of IDB Lido.
- **Israel Discount Bank LTD** – is the majority owner of Discount Bancorp, Inc. and a passive indirect owner of IDB Lido.
- **IDBNY** is a 50% owner of IDB Lido and refers certain of its clients and other persons to IDB Lido for investment advisory services. Neither IDB Lido, nor any of its affiliates or employees, pay referral fees to IDBNY for introducing clients to it. While IDBNY does not receive any direct compensation for referrals made to IDB Lido, IDBNY, as an owner of IDB Lido, indirectly benefits from any additional revenue earned by IDB Lido as a result of such referrals.
- **Charlesbank Equity Fund X, LP** – is a private equity fund that owns less than 50% of Lido Advisors.
- **Lido Advisors** is a 50% owner of IDB Lido. Lido Advisors does not refer clients to IDB Lido. However, Lido Advisors and certain of its affiliates (including but not limited to Lido Cap and Gap GP, LLC, Lido Private Funds, LLC, Lido Uncapped Diversified GP, LLC, Lido Uncapped GP, LLC, and Lido Uncapped Platinum GP, LLC) serve as the general partner for certain Alternative Investments recommended to IDB Lido clients. This creates a conflict of interest since IDB Lido has an incentive to recommend such investments because Lido Advisors and its affiliates receives compensation when IDB clients invest in such Alternative Investments. IDB Lido addresses this conflict mainly by disclosure and policies and procedures to help ensure that recommendations are only provided to clients when deemed to be in the best interest of the clients.
- **Lido Flamingo, LLC ("LF")** was created to purchase and hold minority interests in real estate-related investments. LF members include Mr. Kushner, Mr. Ozur, Mr. Westheimer, Ms. Weinberger, and their family members. Mr. Kushner and Mr. Ozur serve as LF's Managing Members. In certain circumstances, LF makes investments that result in significant minority interests in those investments. These investments generally do not meet the investment criteria for the majority of other IDB Lido clients due to investment size or risk.

- **AG Associates, LLC (“AG”)** is co-managed by Mr. Goldman. He and certain Lido Advisors’ clients are members and managers of AG. Pursuant to the Oakhurst Consulting Agreement, formerly an agreement between S&R and Lido Advisors, AG is to invest up to \$250,000 into any Oakhurst-affiliated investment, which is intended to be a side-by-side investment with Lido Advisor clients. Certain IDB Lido principals or entities owned or controlled by them are members of AG and have invested in AG opportunities in the past. The Lido Advisors’ clients, including those that are managers, became involved or associated with AG prior to them becoming Lido Advisors’ clients. AG no longer invests in Oakhurst Private Funds.
- **Leviathan Co-Invest I, LLC (“Leviathan”)** is a co-investment vehicle for certain Lido Advisors and Oakhurst principals, employees, and other affiliates to invest in Oakhurst Private Funds. Some of these also are principals, employees, and affiliates of IDB Lido. Leviathan’s co-investment is typically \$1 million although the investment may vary fund by fund. Leviathan does not charge management fees, which creates a potential conflict of interest whereby the Lido Advisors and Oakhurst principals, employees, and affiliates may ultimately receive better performance than any IDB Lido clients invested in the same Oakhurst fund. IDB Lido addresses this potential conflict by disclosure and believes by aligning the interests of its principals, employees, and affiliates, through Leviathan, with the interests of IDB Lido clients reinforces the fiduciary duty relationship.
- **Mapleton Capital Management, LLC (“Mapleton”)** is a hedge fund that has received IDB Lido client investments. Mr. Goldman is a Mapleton principal. Mapleton also sublets space from IDB Lido. *See Item 11* (Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.)
- **Archway Realty (“Archway Realty”)** is a real estate company created by Scott Weiss. Mr. Weiss is also a client. Clients and Lido IARs or entities controlled by those IARs have invested in real estate operated by Archway Realty. Certain clients participate in the same investments as those made by Archway Realty. In each case where a client invests in an investment sponsored or operated by Archway Realty, that client does so on the same terms as participating IDB Lido professionals.
- **Lakeside Housing (“Lakeside”)** is a real estate investment fund organized to purchase and operate apartment buildings. Lido Advisors is entitled to receive a carried interest from Lakeside pursuant to a written agreement with the Lakeside operator. Lido Advisors’ clients and certain Lido Advisors’ principals (who also are principals of IDB Lido), through LF (which holds a minimal, minority interest), are investors in Lakeside, and participate in this investment on the same terms and conditions. *See Item 11* (Code of Ethics, Participation or Interest in Client Transactions and Personal Trading).
- **Oakhurst** is an SEC-registered investment adviser to a mutual fund and real estate-related Private Funds. Members and partial owners of this affiliated investment adviser include Mr. Kushner, Mr. Ozur, Ms. Weinberger, Mr. Westheimer, Mr. Stern, Jeff Garden, and Jason Lee. Mr. Goldman, Mr. Itskowitch, and Mr. Ng also became Oakhurst principals when S&R merged with Oakhurst in June 2018. *See Item 11* (Code of Ethics, Participation or Interest in Client Transactions and Personal Trading).
- **Oakhurst Capital Management (“OCM”)** is an affiliated, SEC-registered investment adviser that manages mutual funds and SMA strategies. OCM is a joint venture between Lido Advisors and F/m Acceleration, LLC (“F/m”), an unaffiliated, SEC-registered investment adviser. OCM is less than majority owned by Lido Advisors and shares in OCM’s profit or loss. Lido Advisors has sub-advisory agreements with OCM and F/m that provides for management

of certain Lido client assets. *See Item 11* (Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.)

- **Lido Advisors client or owner investment opportunities** - From time to time, certain Lido Advisors' clients and/or owners present certain investment opportunities to Oakhurst Real Estate Funds and that Oakhurst deems suitable for investment. Such opportunities and investments present conflicts of interest in that Oakhurst Real Estate Funds may be biased in favor of these opportunities due to the relationship between Oakhurst and Lido Advisors and that these Lido Advisors' clients or owners will benefit when an investment is made by the relevant Oakhurst Real Estate Fund. In order to mitigate these conflicts, Oakhurst performs due diligence on these opportunities and determines, prior to investment, that the investment is not only suitable for the fund but also presents at least the same potential benefits and involve standard terms and conditions other available third-party opportunities reasonably then known to Oakhurst.
- **Other Passive Investments/Affiliations** - IDB Lido principals are from time to time introduced to certain investment opportunities from their clients, from family members of their clients, and from a variety of other sources. The principals conduct their own independent due diligence and obtain approval from IDB Lido's CCO to participate in these investments. Most if not all of these investments are deemed too speculative for clients. In instances where IDB Lido believes that the opportunity is suitable for clients, they will establish the criteria for determining suitability and then obtain an indication of interest from those clients. *See Item 11* (Code of Ethics, Potential Conflicts of Interest).

For more detailed information regarding Lido Advisor's minority ownership affiliations and the conflicts of interest surrounding the affiliations, please review the Lido Advisors' Form ADV at <https://adviserinfo.sec.gov/firm/summary/269866>.

2. Subletting Activities

Lido Advisors subleases office space to multiple subtenants, including Oakhurst. The rental fees, and activities performed by certain subtenants, create potential conflicts of interest. *See Item 11* (Code of Ethics, Participation or Interest in Client Transactions and Personal Trading).

B. Affiliations

Mr. Karan Kanapathipillai, who serves as the Chief Executive Officer of IDB Lido, also serves as the Chief Financial Officer and Chief Operating Officer of the Private Banking & Global Wealth Management division of IDBNY. Mr. Kanapathipillai spends approximately 5% of his time on this outside business activity.

Mr. Jason Ozur, who serves as a board member on the Board of Directors of IDB Lido, is a minority owner of Lido Advisors and serves as the Chief Executive Officer and Senior Managing Director. Mr. Ozur also provides back office, accounting, and related services to certain Alternative Investments that are recommended to IDB Lido clients. These include Private Funds managed by Mapleton Capital Management, LLC and related entities, and Thomas James Capital ("TJC").¹⁰ Mr. Ozur also is a member and partial owner of Oakhurst Advisors. Additionally, Mr. Ozur is a managing member of a limited liability company

¹⁰ TJC is a fund managed and operated by Richard Goldman. *See Items 4 (Advisory Business) and 11 (Code of Ethics, Potential Conflicts of Interest)*

that invests in commercial and residential real estate, both directly and through investments in private limited partnerships, including certain Alternative Investments with client investments. Mr. Ozur spends approximately 95% of his time on these outside business activities.

Mr. Ken Stern, who serves as a board member on the Board of Directors of IDB Lido, is a minority owner of Lido Advisors and serves as President and Senior Managing Director. Mr. Stern also is the majority owner of Asset Planning Solutions, Inc. ("APS"), an insurance agency. As the owner of the insurance agency, Mr. Stern receives a portion of the fees or commissions received by the agency. Some of these fees or commissions can be generated by any insurance products that are recommended by certain licensed IDB Lido IARs and sold to IDB Lido clients, among others. Additionally, Mr. Stern serves as the Managing Director for APS Holdings, Inc. ("APS Holdings"), the holding company for APS. Also, through 5X International, LLC ("5X International"), in addition to his role as Senior Managing Director, Mr. Stern is a consultant/business manager and has also authored and published several books and DVDs on money management. From time to time, he hosts various personal finance and financial planning television and radio shows and periodically serves as a consultant for various companies through 5X International. As noted above, Mr. Stern is also an Oakhurst principal. Mr. Stern also is a member of GTIS Qualified Opportunity Zone Fund's Advisory Board. He is neither compensated for nor a fiduciary pursuant to this role. Mr. Stern spends approximately 95% of his time on these outside business activities.

The outside business activities performed by senior management creates conflicts of interest since it takes time away from the time spent on performing duties for IDB Lido. However, senior management always endeavors to devote the amount of time necessary to fulfill their duties for IDB Lido.

ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

A. Code of Ethics Summary

IDB Lido has adopted a Code of Ethics ("Code") in compliance with Advisors Act Rule 204A-1. The Code establishes standards of conduct for supervised persons and includes general requirements that supervised persons comply with their fiduciary obligations to clients and applicable securities laws, and specific requirements relating to, among other things, personal trading, insider trading, potential conflicts of interest and confidentiality of client information. The Code reflects policies reasonably designed to prevent the unlawful use of material, non-public information by IDB Lido or any of its associated persons. The Code also requires that certain of IDB Lido's personnel ("Access Persons") report their personal securities assets and transactions and obtain pre-approval of certain investments, including initial public offerings and limited offerings. Other than certain exceptions that are outlined in the Code, IDB Lido's Access Persons generally may not effect transactions for themselves or for their immediate family members (i.e., spouse, minor children, and adults living in the same household as the Access Person) within three (3) business days before and one (1) business day after any client transaction in the same security.

The Code also requires supervised persons to report any violations of the Code promptly to the CCO. Each supervised person

receives a copy of the Code and any amendments to it and must acknowledge in writing having received the materials. Annually, each supervised person must certify that he or she complied with the Code during that year. IDB Lido will provide a copy of its Code of Ethics to any client or prospective client upon request.

Consistent with the Code, the following is a summary of IDB Lido's potential conflicts of interest. Certain IDB Lido affiliates have developed close business relationships with entities and individuals deemed to possess certain levels of experience, expertise, and results, among other things. As a general matter, IDB Lido affiliates initiate and continue these relationships consistent with their fiduciary duty and, ultimately, to the benefit of their and IDB Lido clients. As these relationships develop, deepen, and mature, actual, or potential conflicts of interest develop. Correspondingly, IDB Lido has developed policies and procedures to identify, address, and remediate, to the extent possible, these actual or potential conflicts of interest, which are more fully described in detail below.

1. IDB Lido-Related Actual or Potential Conflicts of Interest

Certain senior management, including Mr. Ozur and Mr. Stern invest through affiliated entities in Alternative Investments that are recommended to IDB Advisor clients. This creates a conflict of interest. Certain Alternative Investments, including Oakhurst Private Funds, are limited by the number of investors due to, among other things, applicable law and regulations or the investment's structure. Investments under these circumstances may result in a displacement of a client. In other words, these investments will have used a "slot" that would otherwise have been available to a client. IDB Lido addresses and mitigates the potential conflicts through its Code of Ethics that includes pre-approval and reporting requirements of certain personal securities transactions by certain IDB Lido principals, directors, officers, agents or employees, including Alternative Investments, and through disclosures to clients.

Oakhurst Advisors, LLC

Conflicts:

Oakhurst is an SEC-registered investment adviser that manages liquid and illiquid alternatives, namely mutual funds and Oakhurst Private Funds. Oakhurst is owned by certain IDB Lido principles and Messrs. Goldman, Ng, and Itskowitz.

Oakhurst manages one mutual fund, Oakhurst Strategic Defined Risk Fund ("OASDX").

IDB Lido's potential conflict of interest arises as IDB Lido indirectly benefits from the sale of OASDX shares and certain IDB Lido principals must spend a portion of their time working at Oakhurst and on, among other things, OASDX. Should IDB Lido recommend OASDX to clients, IDB Lido will earn fees for managing client assets and certain IDB Lido principals, by virtue of their Oakhurst ownership, may earn fees on OASDX sales. In those circumstances, IDB Lido will evaluate both IDB Lido's and Oakhurst's fees to determine the appropriate fee rebate or waiver in order to mitigate these potential conflicts of interest.

In June 2018, Oakhurst and S&R, an investment adviser managing a number of private, real estate-based funds, entered into a business combination and are now known as Oakhurst.

IDB Lido will, when deemed appropriate for a IDB Lido client, recommend Oakhurst Private Funds provided that these Private Funds meet IDB Lido's suitability and other requirements. IDB Lido will earn only its asset management fee on client investments in Oakhurst-affiliated funds. Any IDB Lido principal that is also a principal of Oakhurst is generally precluded from receiving any revenue derived from an Oakhurst Private Fund management fee earned from any IDB Lido client investment.

In certain Oakhurst Private Funds, Oakhurst may negotiate an economic or equity stake in the funds' managing members. Oakhurst may earn a portion of performance fees, among other fees, as a result. As certain IDB Lido principals also own, in varying percentages, Oakhurst, this arrangement may result in certain IDB Lido principals receiving a proportional share of these accrued performance and other fees. Thus, certain IDB Lido principals' receipt of this compensation is a potential conflict of interest. Oakhurst will disclose the existence of any such arrangement in the relevant offering materials.

There is also the possibility that IDB Lido's recommendation of Oakhurst-affiliated funds to IDB Lido clients will indirectly benefit certain IDB Lido principals who are also Oakhurst principals by increasing Oakhurst's assets under management and thus increasing Oakhurst's enterprise value. Relatedly, certain IDB Lido principals that are also Oakhurst principals may favor Oakhurst Private Funds over other alternative investments in order to increase Oakhurst's enterprise value, which would cause these certain IDB Lido principals' ownership interest in Oakhurst to appreciate. IDB Lido will continue to monitor this potential conflict of interest and address as appropriate. IDB Lido will request specific consent for investment from its clients in all Oakhurst Private Funds.

Other Oakhurst-related potential conflicts of interest include:

Lido Advisors' Relationship to the Oakhurst-affiliated investments' Bridge Loan Lender: Oakhurst may obtain or has obtained bridge loans from certain Lido Advisors' clients ("Bridge Loan Lender") that have or will be used to secure certain underlying assets of Oakhurst-affiliated investments prior to being opened to other clients of Lido Advisors and its affiliates for investment. To date, the only Bridge Loan Lender has been an affiliate to a partial owner of Oakhurst. For those Oakhurst-affiliated investments involving the Bridge Loan Lender, the Bridge Loan Lender will receive interest during the loan's duration. Oakhurst makes these interest payments from subsequent investments. Typically, if the loan is not fully paid by a date certain, the remaining balance is converted into an equity stake in the fund. Oakhurst has provided in the past and will provide in the future due diligence services to the Bridge Loan Lender regarding several investment opportunities unrelated to the Oakhurst-affiliated investments. Additionally, the Bridge Loan Lender shares in revenues generated by Lido Advisors. Potential conflict of interest exists in that the Bridge Loan Lender may receive an investment opportunity and economic benefit unavailable to other clients of Lido Advisors and its affiliates, and the placement of Oakhurst-affiliated investment with other Lido Advisor clients directly results in the repayment of the portion of the outstanding principal of the loan. Any bridge loans and any use of equity offering proceeds to redeem those loans are specifically disclosed in offering materials relating to Oakhurst-related funds.

Oakhurst Capital Management

Barry Julien

Conflicts:

OCM is an SEC-registered investment adviser that manages mutual funds and SMA strategies. OCM is a joint venture between Lido Advisors and F/m Acceleration, LLC, an independent, SEC-registered investment adviser. Lido owns a less-than-majority interest in OCM. Barry Julien, an IAR of OCM, Lido, and F/m Acceleration, LLC and OCM President, leads OCM's asset management efforts and has an ownership interest in OCM.

OCM manages three mutual funds, Oakhurst Fixed Income Fund ("OHFIX"), Oakhurst Short Duration Bond Fund ("OHSDX"), and Oakhurst Short Duration High Yield Bond Fund ("OHSHX"). OCM will, at times, utilize OCM mutual funds in its SMAs.

Lido has sub-advisory agreements with OCM and F/m Acceleration, LLC in which the two entities, at one time or another, will

manage Lido client assets.

Conflicts of interest arise because both Mr. Julien and certain Lido Advisors' principals, who are also principals of IDB Lido, benefit from IDB Lido client investments in OCM funds and/or OCM SMA strategies. In addition, Mr. Julien has additional conflicts of interest as a result of his roles, in certain instances as a fiduciary, at Lido Advisors, OCM, and F/m Acceleration, LLC. OCM will earn fees for managing IDB Lido client assets in OCM funds and SMAs. IDB Lido and Mr. Julien will receive a proportion of these fees as a result of their respective indirect and direct ownership interests in OCM. In order to mitigate this conflict, IDB Lido may provide an Asset Management fee credit to offset, in part, any potential profit share from OCM. IDB Lido will also monitor IDB Lido's and Mr. Julien's conflicts of interest to determine whether any additional policies and procedures are necessary.

APS Holdings, Inc.

Asset Planning Solutions, Inc.

Ken Stern, Brendan Van Cleve, Jeff Christie, Eric Hoffman

Conflicts:

APS Holdings wholly owns Asset Planning Solutions, Inc., a California-registered insurance company. Depending on a client's needs, certain IDB Lido IARs will recommend that an IDB Lido client obtain insurance products through Asset Planning Solutions and its affiliates. Should a client implement such a recommendation, it will result in compensation earned by Asset Planning Solutions and its affiliates, along with the IDB Lido IAR that made the recommendation. In addition, Asset Planning Solutions can earn compensation from referrals to other insurance companies or insurance-related services or products sold to or involving IDB Lido clients.

IDB Lido client or owner investment opportunities

Conflicts:

From time to time, certain Lido Advisors' clients or owners present certain investment opportunities to Oakhurst and are deemed to be suitable for investment in Oakhurst Private Funds. Such opportunities and investments present conflicts of interest in that Lido Advisors, Oakhurst, and Oakhurst Private Funds may be biased in favor of these opportunities due to the relationship between Oakhurst and Lido Advisors and that these Lido Advisors' clients or owners will benefit when an investment is made by the relevant Oakhurst Real Estate Fund. In order to mitigate these conflicts, Oakhurst performs due diligence on these opportunities and determines, prior to investment, that the investment is not only suitable for the fund but also presents at least the same potential benefits as other third-party opportunities. To date, Oakhurst Real Estate Funds have made two investments in Lido Advisors' client or owner related opportunities, which were also disclosed by the relevant Oakhurst Real Estate Fund. In order to address this potential conflict, Oakhurst will review any Lido Advisors' client or owner investment opportunities to ensure that its terms and conditions are at the very least consistent with industry standards and return expectations.

Leviathan Co-Invest I, LLC

Conflicts:

Leviathan is a co-investment vehicle for certain Lido Advisors and Oakhurst principals, employees, and other affiliates to invest in Oakhurst Private Funds. Some of these also are principals, employees, and affiliates of IDB Lido. Leviathan's co-investment is typically \$1 million although the investment may vary fund by fund. Leviathan does not charge management fees, which create a potential conflict of interest whereby Lido Advisors and Oakhurst principals, employees, and affiliates

may ultimately receive better performance than any IDB Lido clients invested in the same Oakhurst fund. IDB Lido addresses this potential conflict by disclosure and believes by aligning the interests of its principals, employees and affiliates, through Leviathan, with the interests of IDB Lido clients reinforces the fiduciary duty relationship.

Lido Advisors Subletting

Relationships Conflicts:

Lido Advisors receives rental payments for subletting space to certain Lido Advisors' clients and strategic partners. This relationship gives rise to certain conflicts:

Potential Conflicts Created by Receipt of Additional Rental Fees: While these sublease arrangements were done at arm's length, subtenants pay Lido Advisors a rental rate per square foot that exceeds the rate that Lido Advisors pays to its landlord. The increased rental rate compensates Lido Advisors for the subtenant's use of common areas, certain office equipment, phone and internet licenses, and administrative and support services. Certain subtenants perform advisory services on behalf of Lido Advisors and its clients and Lido's receipt of higher rental fees creates a potential conflict of interest in that Lido Advisors and IDB Lido can be incentivized to utilize Lido Advisors' subtenants for advisory services as opposed to other similarly situated providers who do not pay rent to Lido Advisors. In these instances, IDB Lido will assess the subtenants' expertise, experience, familiarity with IDB Lido and its clients and corresponding fees to ascertain whether these costs are comparable to other unaffiliated third parties.

Potential Conflicts Due to Activities between Subtenants and Lido: Although subtenants' activities are conducted independently of Lido, there exist potential conflicts of interest between Lido and certain subtenants due to certain interactions and agreements. Specifically, Mapleton is a subtenant of Lido that performs advisory activities on behalf of IDB Lido and its clients and has pre-existing business relationships with Lido personnel.

Mapleton is an unaffiliated California-registered investment adviser. Lido has entered into a sub-advisory arrangement with Mapleton whereby Lido will delegate active discretionary clients and Lido's receipt of higher rental fees creates a potential conflict of interest in that Lido can be incentivized to utilize subtenants for advisory services as opposed to other similarly situated providers who do not pay rent to IDB Lido.

Potential Conflicts Due to Activities between Subtenants and IDB Lido: Although certain of subtenants' activities are conducted independently of IDB Lido, there exist potential conflicts of interest between IDB Lido and certain subtenants due to certain interactions and agreements with affiliates. Specifically, Mapleton is a subtenant of Lido Advisors that performs advisory activities on behalf of Lido Advisors and its clients and has pre-existing business relationships with IDB Lido principles and certain personnel. Mapleton pays Ozur Consulting, LLC, an entity controlled by Mr. Ozur, to provide accounting and back-office support. Mr. Ozur also served as a Mapleton Vice President prior to joining Lido Advisors in 2009. Finally, Mr. Goldman a member of Mapleton, is also an Oakhurst principal. This creates potential conflicts of interest in that there may be an incentive for IDB Lido to utilize Mapleton as a sub- advisor for client assets, even though Mapleton's rates for these sub-advisory services may not be the lowest rates in the market. To mitigate such potential conflicts, IDB Lido will not assess higher fees on Mapleton-managed client assets than IDB Lido-managed assets and will not assess Mapleton's sub-advisory fees in addition to IDB Lido advisory fees.

Archway-Affiliated Companies

Conflicts:

Archway Capital LLC ("Archway"), which is a different entity than the previously identified Archway Realty, is a sub-tenant of Lido Advisors and a joint venture between Oakhurst and certain third parties involving Oakhurst-affiliated Private Funds ("Archway Funds") investing in real estate loans. IDB Lido will, should Archway Funds be determined to be a suitable investment for its clients, invest its client's assets in these affiliated funds. This relationship creates a potential conflict of interest due to the potential to influence IDB Lido, through Lido Advisors to invest its client assets in the Archway Funds. Archway's lease payments to Lido Advisors can also further influence IDB Lido similarly. To mitigate such potential conflicts of interests, IDB Lido will monitor Lido Advisors' relationship with Archway to determine whether additional policies and procedures are required aside from IDB Lido's standard allocation practices

Lido Tax, LLC

Conflicts:

Lido Tax, LLC ("L-TAX") is a separate, affiliated entity that provides tax consulting services, including tax preparation, primarily to clients of Lido Advisors and its affiliates. L-TAX is majority owned by Lido Advisors with a minority interest held by a Lido Advisors IAR. From time to time, IDB Lido will recommend L-TAX to its clients. Should a client engage L-TAX for services, IDB Lido will provide such clients with an Asset Management fee credit for application against L-TAX tax consulting services. Outside of this fee credit, IDB Lido clients are responsible for all other L-TAX-related fees. Lido Advisors receives an economic benefit from L-TAX activities, given its majority interest in the firm, that results in a conflict of interest whereby IDB Lido may be incentivized to direct IDB Lido clients to L-TAX for tax consulting services. In certain instances, however, IDB Lido clients will not pay fees to L-TAX "out of pocket" for tax consulting services due to IDB Lido's above-described Asset Management fee credit. L-TAX also sublets office space in Lido Advisors' Boca Raton office. To mitigate such potential conflicts of interest, IDB Lido and L-TAX provides specific disclosures to IDB Lido clients prior to engaging L-TAX. Further, IDB Lido will monitor its relationship with L-TAX to determine whether additional policies and procedures are required

Lido Advisors Client-Sponsored or Operate Alternative Investments Conflicts:

Certain Lido Advisors' clients or their relatives have sponsored or operated Alternative Investments that certain IDB Lido principals have invested in, including, but not limited to, 11905 Alpheus LLC, Champion Greenhill, Cottages, Fossil Creek RE, Overton Trails, Redwood, Scotchmore Green, Victory, Vieux Coulee, and West Gate Series LLC. Certain IDB Lido principals were and continue to be passive investors. This creates a potential conflict of interest as IDB Lido may be incentivized to recommend these investments to its clients that may result in a direct or indirect benefit to Lido Advisors and/or its clients or their relatives. IDB Lido will disclose this conflict when it exists. In addition, Lido Advisors utilizes a third-party, independent due diligence service provider to ensure operational and investment suitability and reviews these Alternative Investments for returns, risk, and fees that are consistent with other, if discernable, Alternative Investments. In many instances, IDB Lido's ability to work closely with these operators provide for customized or tailored investment opportunities that leverage IDB Lido's expertise in real estate, for instance, that are deemed to be more beneficial to its clients than other third-party Alternative Investments.

Alternative Investments compensation to Lido Advisors for providing specific services

Conflicts:

Lido also has entered into business arrangements for certain services with certain Alternative Investment affiliates. Certain Alternative Investment affiliates have also entered into business arrangements for certain services with Lido, certain Lido

principals, or employees. Although these services do not generally relate to Alternative Investments, there are instances where Alternative Investment affiliates engage Lido to provide investor services, which include, but is not limited to, investor communication, reporting, and marketing coordination, for a fee. Lido typically rebates earned fees in these arrangements back to its clients that are investors in the applicable Alternative Investment. A potential conflict of interest exists since Lido recommends these Alternative Investments to clients. Some of these conflicts are remediated by Lido rebating fees, as described above and through negotiating reduced overall fees when possible.

Additionally, Alternative Investment affiliates, on occasion, will sponsor sales training for Lido employees or sponsor client events or gifts. This situation presents a conflict of interest in that Lido IARs may feel incentivized to allocate client monies to those Alternative Investment affiliates which sponsor Lido events or trainings. Lido mitigates these potential conflicts by additional policies and procedures relating to Alternative Investment allocations, as described immediately below.

Shareholder Services Agreements

Conflicts:

From time to time, Lido or its affiliate, Oakhurst, will enter into shareholder services agreements with independent, third-party private funds (not Oakhurst Funds) to provide certain supplemental services, including operational, logistic, and marketing support. In instances where Lido clients are investors in those funds, the portion of those fees that would be allocable to Lido clients are credited to those clients. Additional information concerning these services and resulting conflicts are included in the offering memoranda of these independent third-party funds.

Alternative Investments Allocation Practices

Conflicts:

The Alternative Investments that IDB Lido recommends are generally considered limited offerings due to a limited aggregate investment amount or total number of investors. In certain instances, there will be more clients interested in investing in these Alternative Investments than space available. IDB Lido attempts to allocate client investments to these Alternative Investments fairly and equitably, including, but not limited to, assessing its clients' overall total allocation to a specific Alternative Investments, reviewing an Alternative Investment's investor capacity, underlying assets, projected and targeted returns, and risks, in undertaking recommendations to its clients. In addition, as clients' individual financial wherewithal, sophistication, and risk tolerance may vary, IDB Lido's allocation recommendations may also be subjective. Not all clients who are interested in investing in these Alternative Investment may have an opportunity to do so. *See Item 4 (Advisory Business).*

Further, Oakhurst has an independent fiduciary duty to its funds, which are its clients, and must allocate investors in its funds consistent with its duty. IDB Lido's allocation policies and procedures may be different than and conflict with Oakhurst's policies and procedures. As certain IDB Lido principals are also Oakhurst principals, instances where the outcome of IDB Lido's and Oakhurst' allocation policies and procedures differ, IDB Lido may present certain clients for investment in Oakhurst-affiliated funds in accordance with its allocation policies and procedures, but Oakhurst may allocate IDB Lido client investments differently, either in order of or amount of investment' presents a potential conflict of interest.

Finally, there may be instances where certain IDB Lido principals invest in these Alternative Investments. These investments may result in clients not being able to invest due to the above- described limitations.

These situations present conflicts of interest. IDB Lido mitigates these conflicts by additional policies and procedures relating to Alternative Investment allocations, including, but not limited to, procedures establishing a defined “queue” arranging clients in chronological order based upon receipt of their investment commitment and consultation with IDB Lido’s and Oakhurst’s CCO to identify, discuss, and resolve any conflicts concerning acceptance of clients’ investments outside of IDB Lido’s queue. In addition, IDB Lido and Oakhurst co-invest in certain Oakhurst Private Funds through Leviathan, which mitigates this conflict by maximizing available space for all IDB Lido clients. *See Item 12. D (Alternative Investment Allocation).*

Soft Dollars and Other Brokerage-related Compensation or Benefits

Conflicts:

From time to time, IDB Lido will enter into soft dollar arrangements whereby brokerage transactions are directed to certain broker dealers in return for investment research products or services. Although customary, these arrangements give rise to potential conflicts of interest, including the incentive to allocate securities transactional business to broker-dealers based on the receipt of such benefits rather than on a client’s interest in receiving most favorable trade execution. Additionally, IDB Lido generally recommends that clients use Fidelity as their custodial broker dealer. Fidelity makes available to IDB Lido other products and services that benefit IDB Lido but do not directly benefit clients.

IDB Lido has an incentive to recommend that clients maintain their assets in accounts at Fidelity due to the benefit to IDB Lido and the availability of some of the products and services provided, which creates potential conflicts of interest. *See Item 12 (Brokerage Practices).*

Solicitors and Compensation for Client Referrals

Conflicts:

From time to time, IDB Lido will enter into written agreements and compensate third parties (commonly referred to as “promoters” or “solicitors”) to provide endorsements.¹ When engaging with such third parties, IDB Lido will comply with the requirements of Rule 206(4)-1 of the Advisers Act, which includes, among other things, ensuring that the promoters are not otherwise disqualified and providing specific disclosures to prospects and clients regarding the arrangements. This type of arrangement creates a conflict of interest since the promoter has an incentive to endorse IDB Lido.

IDB Lido also provides compensation to its employees and affiliates when they refer a new client to the Firm. Although this compensation is not directly tied to new clients' Asset Management fee, a conflict of interest exists as employees and affiliates may be incentivized to refer clients based on the receipt of compensation.

To address these conflicts, disclosures are provided to prospects and clients regarding the arrangements, including information on the compensation paid and any conflicts surrounding the arrangement. IDB Lido also maintains policies and procedures pertaining to third party endorsement arrangements and compensation paid to employees for client referrals.

¹ **Endorsement** means any statement by a person other than a current client or investor in a private fund advised by the investment adviser that: (i) Indicates approval, support, or recommendation of the investment adviser or its supervised persons or describes that person's experience with the investment adviser or its supervised persons; (ii) Directly or indirectly solicits any current or prospective client or investor to be a client of, or an investor in a private fund advised by, the investment adviser; or (iii) Refers any current or prospective client or investor to be a client of, or an investor in a private fund advised by, the investment adviser.

2. THIRD-PARTY-RELATED POTENTIAL CONFLICTS OF INTEREST

Richard Goldman

Mapleton Capital Management, LLC

Conflicts:

IDB Lido will recommend certain Alternative Investments sponsored or operated by Oakhurst, the affiliated SEC-registered investment adviser that entered into a business combination with S&R in June 2018. Mr. Goldman, who was a S&R principal and is now an Oakhurst principal, has long-standing relationships with certain IDB Lido principals. This relationship and the resulting business arrangements result in significant, potential conflicts of interest, as described below.

Other of Mr. Goldman's relationships that may present potential conflicts of interest include:

Mr. Goldman and certain Lido Advisors clients are members and managers of AG. Pursuant to the Oakhurst Consulting Agreement, AG is to invest up to \$250,000 into any Oakhurst-affiliated investment, which is intended to be a side-by-side investment with Lido Advisor clients. Certain IDB Lido principals or entities owned or controlled by them are members of AG and have invested in AG opportunities in the past. The Lido Advisor clients, including those that are managers, became involved or associated with AG prior to them becoming Lido Advisor clients. Although AG is no longer utilized for co-invest purposes, AG still retains co-investments in prior Oakhurst Private Funds. *See Item 11.A. (AG and Leviathan)*

Lido recommends investments in Mapleton, a hedge fund, which Mr. Goldman is a principal. Mapleton also sublets space from Lido. Mr. Goldman introduced Lido to almost all of its current subtenants. Pursuant to the Oakhurst Consulting Agreement, Mr. Goldman benefits from Lido recommendations to its clients to invest in Oakhurst- relationships with affiliates, among others. affiliated investments.

Collectively, there are significant business dealings between Lido Advisors, its principals, with some being principals of IDB Lido, and Mr. Goldman. Mr. Ozur has been involved in various business dealings with Mr. Goldman for over 20 years - that benefit Mr. Goldman and may cause a bias in favor of Mr. Goldman or his affiliates. IDB Lido mitigates these potential conflicts of interest with policies and procedures relating to this relationship, including, but not limited to, review of ongoing and potential business relationships, disclosure and approval of any additional outside business activities, and an annual process that all IDB Lido principals participate in identifying any potential or actual conflicts of interests concerning their respective actual or potential business relationships with affiliates, among others.

B. Participation or Interest in Client Transactions

IDB Lido's policy prohibits principal transactions or agency cross transactions on behalf of clients. Principal transactions occur where an adviser, acting as principal for its own account, buys securities from or sells securities to any client. Agency cross transactions occur where a person acts as an investment adviser in relation to a transaction in which the adviser, or an affiliate of the adviser, acts as broker for both the advisory client and for another person on the other side of the transaction.

Based upon a client's stated objectives, IDB Lido may, under certain circumstances, recommend the purchase or sale of

securities in which IDB Lido or its affiliates have invested personally. These recommendations will only be made to the extent that they are reasonably believed to be in the best interests of the client. Importantly, as part of IDB Lido's fiduciary duty to clients, IDB Lido and its Associated Persons will endeavor at all times to put the interests of the clients first and at all times are required to adhere to IDB Lido's Code of Ethics. *See Item 11* (Code of Ethics, Participation or Interest in Client Transactions and Personal Trading). IDB Lido and its Associated Persons also invest personally in certain securities that are purchased for clients, including Private Funds. IDB Lido's Code contains certain requirements designed to address the potential conflicts that arise with regard to personal trading by IDB Lido or its Associated Persons. For example, other than certain exceptions as outlined below, when IDB Lido is purchasing or considering for purchase a security on behalf of a client, no Associated Person may knowingly effect a transaction in that security within three (3) business days before and one (1) business day after any client transaction in the same security. The exceptions include: (i) when the Associated Person's transaction is aggregated with client transactions and the Associated Person receives the same average price as all client participating in such aggregated transaction, (ii) a limited amount of shares of any common stock listed on the S&P 500 Index; (iii) when pre-approved by the CCO or designee; (iv) direct obligations of the Government of the U.S.; (v) money market instruments, bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (vi) shares issued by mutual funds or money market funds; and (vii) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds.

Finally, IDB Lido permits its Associated Persons to buy and sell certain securities for their own accounts and on their own behalf based on personal investment considerations. In order to do so, Associated Persons must comply with IDB Lido's Code of Ethics concerning personal securities transactions. Associated Persons' personal securities transactions are separate and apart from IDB Lido's trading on behalf of its clients, Associated Persons' personal securities transactions are based on Associated Persons' investment decisions, IDB Lido's Code of Ethics, and corresponding policies and procedures designed to address and mitigate actual or potential conflicts of interests, including, but not limited to, pre-approval of certain personal securities transactions and quarterly and annual attestations by Associated Persons of their securities holdings.

ITEM 12: BROKERAGE PRACTICES

The following discussion summarizes the material aspects of IDB Lido's practices for the recommendation of custodians and the selection of broker dealers to execute client transactions.

A. Selection Criteria

IDB Lido does not maintain physical custody of clients' assets although we are deemed to have custody of clients' assets where the client has given us authority to debit fees from the client's account. *See Item 15* (Custody). Client assets must be maintained in an account at a "qualified custodian," generally a broker dealer or bank. The custodian that IDB Lido recommends that clients use is National Financial Services LLC ("NFC") and Fidelity Brokerage Services LLC ("FBS") ("NFC" and "FBS", collectively, "Fidelity"), both of which are FINRA registered broker dealers and members of Securities Investor Protection Corporation (SIPC). IDB Lido is independently owned and operated and not affiliated Fidelity. Fidelity will hold client assets in a brokerage account and buy and sell securities at IDB Lido's instruction. While IDB Lido recommends that clients use Fidelity, the client will decide whether to open an account with them by entering into an account agreement

directly with Fidelity. IDB Lido does not open the custodian account for clients.

IDB Lido will execute transactions for clients through Fidelity since they generally do not charge custodian fees so long as transactions for clients are executed through them as broker-dealer. IDB Lido periodically evaluates the commissions charged and the services provided by the custodian and compare those with other broker-dealer/custodians to evaluate whether overall best qualitative execution could be achieved by using alternative custodians.

Other factors IDB Lido considers when evaluating its choice of custodian include but are not limited to:

- Ability to trade mutual funds and other investments that IDB Lido determines suitable for a client's portfolio;
- Any custodial relationship between the client and the broker dealer;
- Quality of customer service and interaction with IDB Lido;
- Discount transaction rates; and
- Reliability and financial stability.

For those clients who wish to direct brokerage and select broker dealers/custodians not recommended by IDB Lido, clients should be aware that IDB Lido does not negotiate specific brokerage commission rates with the broker on the client's behalf or seek better execution services or prices from other broker dealers. As a result, the client could pay higher commissions and/or receive less favorable net prices on transactions for their account than might otherwise be the case, and IDB Lido will have limited ability to ensure that the broker dealer selected by the client will provide best possible execution.

1. Fidelity Custodian Arrangement

IDB Lido has an arrangement with Fidelity that provides IDB Lido with Fidelity's "platform" services. The platform services include, among others, brokerage, custodial, administrative support, record keeping, and related services that are intended to support intermediaries like IDB Lido in conducting business and in serving the best interests of their clients but that benefit IDB Lido. IDB Lido is not affiliated with Fidelity.

Fidelity charges brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). Fidelity enables IDB Lido to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. Fidelity's commission rates are generally considered discounted from customary retail commission rates. In certain circumstances, Fidelity does not charge commissions for trades. However, Fidelity's commissions and transaction fees may be higher or lower than those charged by other custodians and broker dealers. As part of the arrangement, Fidelity also makes available to IDB Lido, at no additional charge, certain research and brokerage services, including research services obtained by Fidelity directly from independent research companies, as selected by IDB Lido within specified parameters. IDB Lido's use of these research and brokerage services may or may not directly or indirectly benefit clients. *See Item 11* (Code of Ethics, Participation or Interest in Client Transactions and Personal Trading).

IDB Lido also receives certain no-cost services that do not directly benefit clients. As a result, IDB Lido has an incentive to continue to use or expand the use of Fidelity's services, which creates a potential conflict of interest. Based on the foregoing and including, but not limited to, Fidelity's higher level customer service to both the client and IDB Lido, technology

capabilities, access to fixed income markets, lower trading costs comparable to its industry peers (and equivalent to our other chosen preferred custodians, IDB Lido reviewed this potential conflict at the onset of its relationship with Fidelity and has determined that the relationship consistent with its clients' best interest. A client may, however, pay a commission or transaction fee that is higher than another qualified broker dealer might charge for that same transaction. IDB Lido has determined that the commission or transaction fee is reasonable in relation to the value of the brokerage and research services received.

2. Additional Trading Practices

In certain circumstances, IDB Lido will "trade away" from its primary custodial relationships to achieve better pricing on behalf of its clients, among other things. In engaging a broader market for the buying and selling of securities, IDB Lido may or may not achieve better pricing or execution. IDB Lido utilizes its judgment, within reason, to identify circumstances when trading away is more beneficial to its clients. There, however, may be circumstances where IDB Lido fails to achieve these objectives by trading away, resulting in higher costs to the client. IDB Lido seeks to mitigate this possibility by analyzing comparable pricing and best execution by its custodians on a per-trade and annual basis.

B. Best Execution

Except as otherwise provided in the client's investment advisory agreement, IDB Lido has full discretion to place buy and sell orders with or through such brokers or dealers as it deems appropriate. IDB Lido's general policy is to place client trades with Fidelity and IDB Lido will continue to do so as long as IDB Lido believes that the broker custodian is providing the best overall value for its clients, and they remain competitive in relation to executions and the cost of each transaction ("best execution").

Although IDB Lido will seek, within reason, to achieve the best execution possible for client securities transactions, this does not require IDB Lido to solicit competitive bids and IDB Lido does not have an obligation to seek the lowest available commission cost. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the overall best qualitative execution, taking into consideration the full range of a broker dealer's services, including among other things, the value of research provided, execution capability, commission rates, and responsiveness. Consistent with the foregoing, while IDB Lido will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client transactions. IDB Lido is not required to negotiate "execution only" commission rates; thus, the client may be deemed to be paying for research and related services (i.e., "soft dollars") provided by the broker which are included in the commission rate.

To ensure that brokerage firms recommended by IDB Lido are conducting overall best qualitative execution, IDB Lido will periodically (and no less often than annually) evaluate its trading process and broker/custodians selections. IDB Lido's evaluation will consider the full range of brokerage services offered by the brokers, which may include, but is not limited to price, commission, timing, research, aggregated trades, capable floor brokers or traders, competent block trading coverage, ability to position, capital strength and stability, reliable and accurate communications and settlement processing, use of automation, knowledge of other buyers or sellers and administrative ability.

1. Research and Other Soft Dollar Benefits

IDB Lido selects a broker dealer in recognition of the value of various services or products, beyond transaction execution, that such broker dealer provides where, considering all relevant factors, it believes the broker dealer can provide best execution. Selecting a broker dealer in recognition of the provision of services or products other than transaction execution is known as paying for those services or products with “soft dollars.” The amount of compensation paid to such broker dealer (which may include disclosed markups and markdowns on riskless principal transactions with market-makers if IDB Lido were to conduct such transactions) may be higher than what another, equally capable broker dealer might charge. Except for the benefits received from Fidelity, IDB Lido currently has no other soft dollar arrangements in place. The following discussion is intended to provide clients with certain important information regarding these practices, including the potential conflicts of interest that arise under soft dollar arrangements. *See Item 14* (Client Referrals and Other Compensation).

The receipt of these services benefit IDB Lido, because IDB Lido does not have to produce or pay for the research or other products or services when it obtains such products and services by using client commissions. Although customary, these arrangements present potential conflicts of interest in allocating securities transactional business to broker dealers in exchange for soft dollar benefits, including an incentive to select or recommend a broker dealer based on IDB Lido’s interest in receiving the research or other products or services, rather than on clients’ interests in receiving most favorable execution. Additionally, IDB Lido may have an incentive to effect more transactions than might otherwise be the case in order to obtain those benefits. The agreements between IDB Lido and its clients generally authorize IDB Lido to use client soft dollars for a wide range of purposes. The extent of any such potential conflict depends in large part on the nature and uses of the services and products acquired with soft dollars.

Section 28(e) of the Securities Exchange Act of 1934 recognizes the potential conflicts of interest involved in this activity, but generally allows investment advisers to use client commissions to pay for certain research and brokerage products and services under certain circumstances without breaching their fiduciary duties to clients. For these purposes, “research” means services or products used to provide lawful and appropriate assistance to IDB Lido in making investment decisions for its clients. “Brokerage” services and products are those used to effect securities transactions for IDB Lido’s clients or to assist in effecting those transactions.

Consistent with obtaining best execution, brokerage transactions have been in the past, and can be in the future, directed to certain broker-dealers in return for investment research and brokerage products and services which assist IDB Lido in its investment decision-making process. IDB Lido can cause clients to pay commissions that are higher than those that another qualified broker dealer might charge to effect the same transaction where IDB Lido determines, in good faith, that the commission is reasonable in relation to the value of the brokerage and research services received. Research and other products and services purchased with soft dollars will generally be used to service all of IDB Lido’s clients, but brokerage commissions paid by one client can be used to pay for research that is not used in managing that client’s portfolio, as permitted by Section 28(e). In other words, there can be certain client accounts that benefit from the research services, which did not make the payment of commissions to the broker dealer providing the services.

Brokerage services obtained with soft dollars can include, for example, quotation and communication equipment and services, other order management systems that provide trading software or provide connectivity to such software, trade analysis software, on-line pricing services, communication services relating to execution, clearing and settlement and message services used to transmit orders.

Research and related services furnished by brokers can include, but are not limited to, written information and analyses concerning specific securities, companies or sectors; market, financial and economic studies and forecasts; financial publications; recommendations as to specific securities; portfolio evaluation services; financial database software and services; computerized news, pricing and statistical services; and discussions with research personnel, along with hardware, software, data bases and other technical and telecommunication services and equipment utilized in the investment management process. Research received by IDB Lido under such soft dollar arrangements can include both proprietary research (created or developed by the broker dealer) and research created or developed by a third party.

As stated above, IDB Lido recommends that clients establish brokerage accounts with Fidelity to maintain custody of clients' assets and to effect trades for their accounts. While there is no direct link between the investment advice given to clients and IDB Lido's recommendation to use the custodial or brokerage services of Fidelity, certain benefits are received by IDB Lido due to this arrangement. *See Item 14* (Client Referrals and Other Important Information).

2. Directed Brokerage

If requested by a client, IDB Lido may accept written direction from a client regarding the use of a particular broker dealer to execute some or all transactions for the client. In that case, the client will negotiate terms and arrangements for the account with that broker dealer, and IDB Lido will not seek better execution services or prices from other broker dealers or be able to "batch" client transactions for execution through other broker dealers with orders for other accounts managed by IDB Lido (as described below). IDB Lido will have limited ability to ensure the broker dealer selected by the client will provide best possible execution. As a result, the client could pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. Subject to its duty of best execution, IDB Lido may decline a client's request to direct brokerage if, in IDB Lido's sole discretion, these directed brokerage arrangements would result in additional operational difficulties or violate restrictions imposed by other broker dealers.

C. Trade Aggregation and Allocation

Transactions for each client will be initiated independently unless IDB Lido decides to purchase or sell the same securities for several clients at approximately the same time. IDB Lido performs investment management services for various clients, some of which may have similar investment objectives. IDB Lido may aggregate sale and purchase orders with other clients, including proprietary (employee) accounts that have similar orders being made at the same time, if in IDB Lido's judgment such aggregation is reasonably likely to result in an overall economic benefit to the affected accounts. These benefits can include better transaction prices and lower trade execution costs. IDB Lido can (but is not obligated to) combine or "block"

such orders to obtain best execution, to negotiate more favorable commission rates, or to allocate equitably among IDB Lido's clients any differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. If all aggregate orders do not fill at the same price, transactions will generally be averaged as to price and allocated among participating accounts pro rata to the purchase and sale orders placed for each participating account on any given day. If these orders cannot be fully executed under prevailing market conditions, IDB Lido will allocate the securities traded among participating accounts and each similar order in a manner which it considers equitable, taking into consideration, among other things, the size of the orders placed, the relative cash positions of each account, clients' investment objectives, and liquidity of the security.

D. Alternative Investment Allocation

IDB Lido recommends investments in Alternative Investments, including Private Funds, to certain clients. Generally, these investments are available only to a limited number of sophisticated investors who meet the definitions of "accredited investor" under Regulation D of the Securities Act of 1933, as amended (the "Securities Act") and qualified client or "qualified purchaser" under the Investment Advisers Act of 1940. Additionally, Private Funds are considered "limited offerings" since they only accept a limited amount of funds for investment.

When determining which clients should receive a recommendation to invest in a Private Fund, IDB Lido considers a number of factors, including but not limited to a client's sophistication, risk tolerances and qualifications, investment objectives, and the amount of available assets. IDB Lido's goal is to allocate in a fair and balanced manner; however, given these differing factors, the allocation of investment opportunities in Private Funds to clients is mainly subjective and not all qualifying clients will be provided an investment opportunity. Additionally, there are times when IDB Lido Associated Persons invest in certain Private Funds that are recommended to clients. When this occurs, a potential conflict exists and to address the potential conflict Associated Persons are required to receive prior written approval by the CCO.

Qualifying clients receiving a recommendation to invest in a Private Fund must read the offering or private placement memorandum prior to investing to fully understand the risks and potential conflicts pertaining to the Private Fund investment. *See Item 11* (Code of Ethics, Participation or Interest in Client Transactions and Personal Trading).

E. Brokerage for Client Referrals

In selecting or recommending broker dealers, IDB Lido receives client referrals from a broker dealer, which creates a potential conflict of interest. This is because IDB Lido has an incentive to select or recommend a broker dealer based on its interest in receiving client referrals rather than on the client's interest in receiving most favorable execution.

To mitigate this potential conflict, IDB Lido reviews and monitors execution and services provided to all clients to help ensure that the client's accounts are managed as effectively as possible and are receiving best execution.

ITEM 13: REVIEW OF ACCOUNTS

A. Periodic Reviews

IDB Lido investment strategies are reviewed by the Investment Committee on a continuous basis. IDB Lido reviews client assets and risk profiles on a periodic basis; IARs review client assets not less than annually. Accounts are reviewed for

consistency with the investment strategy and other parameters set forth for the account and to determine if any adjustments need to be made.

Financial plans are reviewed only upon request unless IDB Lido is retained to update the plan on a recurring basis.

B. Other Reviews and Triggering Factors

In addition to the periodic reviews described above, reviews also are triggered by changes in an account holder's personal, tax, or financial status. Other events that can trigger a review of an account are material changes in market conditions as well as macroeconomic and company- specific events. Clients are encouraged to notify IDB Lido and its advisory representatives of any changes in his/her personal financial situation that might affect his/ her investment needs, objectives, or time horizon.

C. Regular Reports

Custodian account statements are generated no less than quarterly and are sent directly from the account custodian. The account statement lists the account positions, activity in the account over the covered period, and other related information, including all additions and withdraws from the account. Clients also receive confirmations following each account transaction unless confirmations have been waived. These reports are provided in written form.

In addition to the regular statements clients receive from their custodian, IDB Lido will provide detailed reports concerning relevant account and/or market-related information. Our client reports will generally consist of: (1) a list of client assets by class that includes the purchase date, name of security, number of shares, purchase price per share, current price per share, current market value and unrealized gain/loss; (2) the account performance; and (3) the total market value of the account(s). If a client has more than one account, the accounts are consolidated into one report. IDB Lido reports are provided on at least an annual basis.

Clients are urged to compare the statements received from IDB Lido to those received from the account custodian.

For clients in Private Funds, those assets may not appear on their custodian statement (depending on the custodian), but they are included in account reports and statements provided by IDB Lido. IDB Lido's policy for valuing these types of securities is to rely upon the valuations provided by the operator/issuer of the holding. However, there can be times when IDB Lido does not receive an updated valuation prior to IDB Lido sending account statements to clients. When this happens, IDB Lido will report the last known valuation received by the issuer, or depending on circumstances, will provide a fair valuation estimate based on a good faith valuation determined by either IDB Lido, the applicable issuer, or third-party firms. These fair valuations are unaudited and actual values can be higher or lower than the amount reported. *See Item 5 (Fees and Compensation).*

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

A. Economic Benefits Received

IDB Lido enters into soft dollar arrangements whereby brokerage transactions are directed to certain broker dealers in

return for investment research products or services which assist IDB Lido in its investment decision-making process. The receipt of these services is deemed to be the receipt of an economic benefit by IDB Lido, and although customary, these arrangements give rise to potential conflicts of interest, including the incentive to allocate securities transactional business to broker dealers based on the receipt of these benefits rather than on a client's interest in receiving most favorable execution. *See Item 12 (Brokerage Practices).*

Additionally, IDB Lido generally recommends that clients use Fidelity as their custodian and broker of record and certain benefits are received by IDB Lido due to this arrangement. Fidelity makes available to IDB Lido other products and services that benefit IDB Lido but do not benefit its clients' accounts. Some of these other products and services assist IDB Lido in managing and administering clients' accounts. While as a fiduciary, IDB Lido endeavors to act in its clients' best interests, IDB Lido has an incentive to recommend that clients maintain their assets in accounts at Fidelity due to the benefit to IDB Lido and the availability of some of the products and services provided, which create a potential conflict of interest. *See Item 12 (Brokerage Practices).*

As discussed above in Item 10, neither IDB Lido, nor any of its affiliates or employees, pay referral fees to IDBNY for introducing clients to it. While IDBNY does not receive any direct compensation for referrals made to IDB Lido, IDBNY, as an owner of IDB Lido, indirectly benefits from any additional revenue earned by IDB Lido as a result of such referrals.

B. Compensation for Client Referrals

As outlined in Item 11 above, from time to time, IDB Lido will enter into written agreements and compensate third parties (commonly referred to as "promoters" or "solicitors") to provide endorsements. When engaging with such third parties, IDB Lido will comply with the requirements of Rule 206(4)-1 of the Advisers Act, which includes, among other things, ensuring that the promoters are not otherwise disqualified and providing specific disclosures to prospects and clients regarding the arrangements. This type of arrangement creates a conflict of interest since the promoter has an incentive to endorse IDB Lido.

IDB Lido also provides compensation to its employees and affiliates when they refer a new client to the Firm. Although this compensation is not directly tied to new clients' Asset Management fee, a conflict of interest exists as employees and affiliates may be incentivized to refer clients based on the receipt of compensation.

Neither IDB Lido Wealth, nor any of its affiliates or employees, pay referral fees to independent persons or firms for introducing clients to it. However, certain personnel of IDBNY may refer clients to IDB Lido Wealth. While IDBNY personnel do not receive any direct compensation for referrals made to IDB Lido Wealth, these referrals are among a variety of factors taken into consideration by IDBNY in awarding incentive compensation to its employees. Such incentive compensation is not guaranteed and is generally paid on a discretionary basis by IDBNY.

To address these conflicts, disclosures are provided to prospects and clients regarding the arrangements, including information on the compensation paid and any conflicts surrounding the arrangement. IDB Lido also maintains policies and

procedures pertaining to third party endorsement arrangements and compensation paid to employees for client referrals. *See Item 11* (Code of Ethics, Participation or Interest in Client Transactions and Personal Trading).

1. Fidelity Custodian Arrangement

IDB Lido recommends Fidelity to clients for custody and brokerage services. There is no direct link between IDB Lido's participation in Fidelity's custodial program and the investment advice it gives to its clients, although IDB Lido receives economic benefits through its participation in the program that are typically not available to Fidelity retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving IDB Lido participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to IDB Lido accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to IDB Lido by third-party vendors. Fidelity also offers payment for business consulting and professional services received by IDB Lido related persons. These products or services can assist IDB Lido in managing and administering client accounts. Other services made available by Fidelity are intended to help IDB Lido manage and further develop its business enterprise. The benefits received by IDB Lido or its personnel through participation in the Fidelity program do not depend on the amount of brokerage transactions directed to Fidelity. As part of its fiduciary duties to clients, IDB Lido endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by IDB Lido or its related persons in and of itself creates a potential conflict of interest and can indirectly influence the IDB Lido's choice of Fidelity for custody and brokerage services. *See Item 12.A.3* (TD Ameritrade Custodial Arrangement).

C. Other Compensation

Certain IDB Lido IARs are affiliated with Asset Planning Solutions, an independent, California-registered insurance company. These IDB Lido IARs can receive compensation from their sale of insurance products or referral of insurance products or services through Asset Planning Solutions. *See Item 11* (Code of Ethics, Participation or Interest in Client Transactions and Personal Trading).

Certain IDB Lido IARs have outside business activities with unaffiliated registered investment advisers, unaffiliated registered broker dealers, and other firms. Consequently, these activities create potential conflicts of interest. *See Item 10* (Other Financial Industry Activities and Affiliations) and respective IDB Lido IAR's Form ADV Part 2B (Supplemental Brochure).

ITEM 15: CUSTODY

Pursuant to Rule 206(4)-2 of the Advisers Act, IDB Lido is deemed to have custody of client funds, with details outlined in Item 9 of Form ADV Part 1. To mitigate any potential conflicts of interests, IDB Lido will, when possible, maintain client assets with an independent qualified custodian. In certain instances, client assets, such as certain private funds, cannot be

held at such custodians. IDB Lido will identify additional necessary procedures, such as surprise audits or designation of non-discretionary authority over those assets, consistent with its obligations under the Rule 206(4)2.

Generally, IDB Lido recommends Fidelity for custodial services, but from time to time, other custodians may be accepted by IDB Lido for custody of client assets. In the case of asset management services utilizing a TPAM, the TPAM may select the custodian.

Notably, in most cases a client's broker dealer also acts as the custodian of the client's assets for little or no extra cost. Clients should be aware, however, of the differences between having their assets held at a broker dealer versus at a bank or trust company. Some of these differences include, but are not limited to, custodian costs, trading issues, security of assets, client reporting and technology.

IDB Lido will only implement its investment management recommendations after the client has arranged for and furnished IDB Lido with all information and authorization regarding its accounts held at the designated qualified custodian.

Clients will receive statements on at least a quarterly basis directly from the qualified custodian that holds and maintains their assets. Clients are urged to carefully review all custodial statements and compare them to the statements provided by IDB Lido. IDB Lido's statements vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. *See Item 12 (Brokerage Practices)*.

ITEM 16: INVESTMENT DISCRETION

A. Discretionary Authority; Limitations

IDB Lido performs services generally on a discretionary basis, unless otherwise agreed upon at the inception of the client relationship and memorialized in the Agreement. In exercising its discretionary authority, IDB Lido has the ability to determine the type and amount of securities to be transacted and whether a client's purchase or sale should be combined (aggregated) with those of other clients and traded as a "block". This discretion is to be exercised in a manner consistent with each client's investment objectives, risk tolerance, and time horizon. In addition, IDB Lido's authority to trade securities can be limited in certain circumstances by applicable legal and regulatory requirements, as well as IDB Lido's compliance policies. Clients are permitted to impose reasonable limitations on IDB Lido's discretionary authority, including restrictions on investing in certain securities or types of securities. All limitations, restrictions, and investment guidelines must be provided to IDB Lido in writing.

B. Limited Power of Attorney

Clients authorize IDB Lido to exercise full discretionary authority with respect to all investment transactions in their designated accounts upon execution of the Agreement. Among other things, the Agreement designates IDB Lido as the client's attorney-in-fact with discretionary authority to conduct investment transactions, including, but not limited to, giving instructions to third parties in furtherance of such authority. Should a client desire to limit IDB Lido's authority, either by

designating the account as non-discretionary or other specific limitations, the client must do so in writing.

ITEM 17: VOTING CLIENT SECURITIES

IDB Lido's policy and practice is to not vote proxies on behalf of its clients and therefore, shall have no obligation or authority to take any action or render any advice with respect to the voting of proxies solicited by or with respect to issuers of securities held in a client's account. Consequently, the client retains the responsibility for receiving and voting all proxies for securities held within the client's account. IDB Lido shall not be deemed to have proxy voting authority solely as a result of providing advice or information about a particular proxy vote to a client unless the account is an ERISA account, and such authority has not been delegated to another named fiduciary in the plan's written documents. Furthermore, in the case of ERISA clients, while IDB Lido generally does not vote proxies for ERISA client accounts, should proxy materials be forwarded on to IDB Lido at the request of the plan sponsor, IDB Lido will strive to vote the proxy in the best interest of the client. A copy of IDB Lido's proxy voting record and policies are available upon written request by the plan sponsor

IDB Lido typically does not advise or act for clients with respect to any legal matters, including bankruptcies and class actions, for the securities held in clients' accounts.

ITEM 18: FINANCIAL INFORMATION

IDB Lido does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance and therefore is not required to provide, and has not provided, a balance sheet. IDB Lido does not have any financial commitments that impair its ability to meet contractual and fiduciary obligations to clients and has not been the subject of a bankruptcy proceeding.