

# Beagle Invest, LLC

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**27 March 2023**

## **Item 1: Firm Brochure (Form ADV Part 2A)**

This brochure provides information about the qualifications and business practices of Beagle Invest, LLC. If you have any questions about the contents of this brochure, please contact us at the phone number listed above. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Registration (e.g. “registered investment advisor”) does not imply a certain level of skill or training.

Additional information about Beagle Invest, LLC also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 Material Changes**

Pursuant to State and SEC rules, Beagle Invest, LLC will ensure that clients receive a summary of any material changes to this and subsequent disclosure brochures within 120 days after the Firm's fiscal year end, December 31. This means that if there were any material changes over the past year, clients will receive a summary of those changes no later than April 30. At that time, Beagle Invest, LLC will also offer a copy of its most current disclosure brochure and may also provide other ongoing disclosure information about material changes as necessary. If there are no material changes over the past year, no notices will be sent.

Clients and prospective clients can always receive the most current disclosure brochure for Beagle Invest, LLC at any time by contacting their investment advisor representative.

Since the Firm's last annual amendment dated 02/14/2022, there are no material changes to report.

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## Item 4 Advisory Business

### A. FIRM DESCRIPTION

Beagle Invest, LLC (“Beagle Invest” or the “Firm”) is a SEC-registered automated investment advisor. Beagle Invest was founded in June 2021 with its principal office at 1049 El Monte Avenue, Ste C #588, Mountain View, CA 94040. The Firm is owned by Beagle Financial Services, Inc. If you have any questions about the contents of this Brochure, please email us at [support@meetbeagle.com](mailto:support@meetbeagle.com).

### B. TYPES OF ADVISORY SERVICES

The primary focus of Beagle Invest is to provide investment advisory services to Beagle Invest’s clients (“Client” or “Clients”) as well as to prospective clients via a web-based and mobile-compatible solution. Beagle Invest helps and encourages its Clients to contribute to and grow their retirement savings by offering low-cost, well-diversified portfolios through multiple types of retirement accounts. However, Beagle Invest does not offer tax or financial planning advice.

#### *INVESTMENT ADVISORY SERVICES*

Beagle Invest specializes in quantitative and fundamental analysis to determine what investments are in favor of Beagle Invest’s investment models. Investment opportunities are designed for Clients to make long-term investments in diversified portfolios.

Beagle Invest assesses Clients’ holdings and ensures alignment with both short- and long-term goals. The Firm performs ongoing reviews of investment performance and portfolio exposure to align with Clients’ profiles and takes into consideration market conditions. Accordingly, the Firm is authorized to perform various functions without further approval from the Clients, such as the determination of securities to be purchased or sold without prior permission from the Clients for each transaction. Any and all trades are made in the best interest of the Clients as part of Beagle Invest’s fiduciary duty. However, risk is inherent to any investing strategy and model. Therefore, Beagle Invest does not guarantee any results or future returns.

Beagle Invest interacts with Clients primarily through a technology platform developed and maintained by Beagle Invest’s parent company, Beagle Financial, Inc. (doing business as “Beagle”), that is available through Beagle’s website and mobile application. Clients of Beagle Invest also use Beagle’s website to access account details including account balances, portfolio holdings, transaction history and account documents. Beagle Invest does not generally provide investment advice in person, over the phone, live chat, or in any other manner other than through the advisory services available on Beagle or through automated email communications. Beagle provides technology and back-office support for Beagle Invest.

Beagle Invest is a subscription-based fee investment management firm. The firm does not receive fees based on assets or commissions for purchasing or selling stocks, bonds, mutual funds, real estate investment trusts, or other commissioned products for clients. Prior to engaging Beagle Invest to provide any investment advisory services, Beagle Invest requires Clients to enter into Customer Agreements with Beagle Invest. The Customer Agreements will outline services to which the client is entitled and fees the Clients will incur.

Beagle Invest does not act as a custodian of Clients’ assets. The Clients always maintain asset control of their own Beagle Invest account (“Account” or “Accounts”). Beagle Invest places trades for Clients under a limited

power of attorney through a qualified custodian and clearing broker. Under the terms of the Customer Agreements, the Clients authorize Beagle Invest to conduct all trades and transactions from Beagle Invest to the qualified custodian and clearing broker and carry the Clients' accounts that holds the Clients' securities and cash as well as to record the Clients' transactions under Beagle Invest's direction. Orders for purchases or sales for multiple advisory accounts may be combined by Beagle Invest and the qualified custodian and clearing broker to reduce any trading and transaction costs that Beagle Invest may have to incur. Clients are not charged any trading or transaction fees for the purchase and sales of securities in their Accounts.

Beagle Invest offers multiple types of retirement investing account types:

- (1) Individual Retirement Accounts sometimes referred to as "Beagle IRAs," and
- (2) Individual 401(k) Accounts sometimes referred to as a "Beagle Individual 401(k)s" or "Beagle Solo 401(k)s".

Beagle Invest provides investment advice to each of the Accounts through model portfolios, each consisting of a mix of individual ETFs that are managed by third-party investment adviser(s) and that reflect target asset allocations across various chosen asset classes, including domestic and international stocks (equities), short and long-term bonds and treasury securities (fixed income) and real estate. Beagle offers six (6) diversified model portfolios to match Clients' investment time horizons and risk tolerances, with model portfolios ranging from 'max growth', 'growth', 'growth income', 'balanced', 'income' to 'capital preservation'.

Based on the information that each of the Clients enters on Beagle's mobile or web-based application ([www.meetbeagle.com](http://www.meetbeagle.com)) during the account opening process, Beagle Invest will utilize its proprietary software algorithm to match each Client with the initial portfolio best suited to meet the individual Client's investment goals. Each Client, upon being onboarded into Beagle, is asked a set of questions. These questions may include behavioral questions such as how a Client views risk to assess their tolerance for risk. The algorithm then balances that analysis with the Client's expectations for portfolio growth. Combined with additional Client feedback on when the Client expects to reach retirement age, Beagle's algorithm then categorizes the Client into an initial portfolio that is suitable for their individual investment time frame.

Beagle Invest's algorithm will rebalance an Account's holdings, no less frequently than quarterly, if it finds that the holdings deviate by 5% or more from the target portfolio allocation prescribed for the Client. Depending on market fluctuations and volatility level, as well as deposits and withdrawals of funds into and out of the account, this may result in multiple rebalancing transactions throughout the year for an Account. All rebalancing transactions are made automatically without the Client's input. Also, dividend payments produced from any ETFs in each portfolio are reinvested automatically to fit the appropriate asset allocation mix.

As part of the investment process to get each Account to its matched targeted portfolio, Beagle purchases ETFs through a qualified custodian and clearing broker. As Clients make further deposits into or withdrawals from their Accounts, the corresponding transactions made by Beagle are designed to maintain each Account's target allocation. Upon a Client's request to contribute or withdraw assets from its Accounts, purchases or sales of the ETFs underlying a Client's portfolio are executed in a manner designed to maintain the target allocation of the specific portfolio. The set of ETFs selected include investment fees charged by their third-party investment managers and are incremental to Beagle Invest's fee. Usually, these investment fees are priced into each of the ETFs. Beagle Invest does not receive any fee from these investment fees charged by ETF investment managers. The qualified custodian and clearing broker may charge ancillary fees for ACH withdrawals, wire transfers, checks, paper documents, or Account closing fees. These fees are disclosed in the Customer Agreements with each Client and are passed on to the client by Beagle Invest.

Beagle will review a Client's portfolio allocation whenever any material changes are made to that Client's investment profile. Beagle periodically sends requests, at least annually, to Clients to make any necessary updates to their Client profiles so that their risk profiles are kept up to date.

### **C. SERVICES TAILORED TO CLIENTS' NEEDS**

Services are provided based on a Client's specific needs within the scope of the services provided as discussed above. Beagle Invest's algorithm utilizes the information provided by each Client regarding the Client's current financial situation, goals, and risk tolerances and then allocates their assets into one of six (6) customized portfolios consisting of different asset mixes. Each portfolio is comprised of multiple ETFs to provide for proper diversification of assets and to reduce any risks associated with investing in individual stocks, bonds or real estate assets.

### **D. WRAP FEE PROGRAM VERSUS PORTFOLIO MANAGEMENT PROGRAM**

Beagle Invest does not offer a Wrap Fee Program.

### **E. ASSETS UNDER MANAGEMENT**

As of February 28, 2023, the Firm has the following assets under management:

Discretionary assets:	\$7,987,598
Non-discretionary assets:	\$0

## **Item 5 Fees and Compensation**

Beagle Invest charges and Clients agree to pay a per-account fee as set under the terms of the Customer Agreements between Beagle Invest and each Client in order for the Client to establish and maintain one or more individual Accounts with Beagle Invest.

### **A. ADVISORY SERVICES COMPENSATION DESCRIPTION**

Beagle Invest bases its fees on a per account basis. The current subscription fee for all clients is \$3.99 per month and Clients have the option to open a Beagle IRA and/or a Beagle Individual 401(k) account, regardless of the value or asset size held in the accounts.

Beagle Invest, in its sole discretion, may charge a lesser subscription fee based upon certain criteria (e.g., historical relationship, types of assets, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, etc.).

The Beagle Invest subscription fees cover investment advisory services provided to clients across all applicable Accounts. The fees also cover the costs of trade execution, clearing and custody, account recordkeeping, account rebalancing, related portfolio servicing fees, and services provided by Beagle Financial Services including finding Client's old 401(k)s, rollover service, assessing fees in 401(k), access to an Individual 401(k) account that allows for loans, the legal paperwork associated with an Individual 401(k) account, loan amortization and payback schedules, and administration and other associated services.

As part of the Individual 401(k) retirement account, Clients are offered the opportunity to loan funds to themselves. Upon request by the Client, funds for the loan are withdrawn from the Client's Individual 401(k) account and the

Client sets their own repayment terms, with repayment time horizons ranging from 1 to 5 years. Interest on loans is a fixed rate that is set by the client, but typically in a range equal to the prime rate +1% on the date of the loan request. Interest on loans accrue to the benefit of the Individual 401(k) account owner and none of the interest fees accrue to Beagle Invest. Therefore, the net interest cost to a Client for taking a loan from their Individual 401(k) is zero.

Beagle charges clients a one-time loan processing fee each time a loan is funded for services rendered to transact the loan, provide recordkeeping and to process scheduled repayments.

## **B. PAYMENT OF FEES**

The Beagle Invest investment management fees are billed monthly, in advance, meaning that the Firm invoices Clients on the day a Client opens an Account and monthly thereafter. Payment in full is expected upon invoice presentation. The monthly billing period is each calendar month. The billing period starts on a Client's initial billing date for each of the twelve (12) calendar months that follow. Fees are deducted from a designated Client account to facilitate billing. The Client must consent in advance to direct debiting of any of the accounts they use to pay the fees, whether it be the investment account, bank account or credit card. In the event of the closure of the Client's Account, Beagle Invest will not refund any prepaid portion of the monthly fee in which the Client's Beagle Invest Account is closed. Upon account closing, if Client funds are not withdrawn by the Client, Beagle Invest will liquidate the portfolio into cash and distribute the full amount net of any account closing and/or distribution fees to the client at the address held on file.

## **C. THIRD PARTY/CUSTODIAN FEES**

Most of the investment expenses that are typically paid by investors, such as transaction and trading costs related to purchases or sales of securities, investment advisory fees, brokerage fees and account maintenance expenses are included in the Beagle monthly fee charged to Clients.

The qualified custodian that Beagle partners with to provide custody of Clients' assets may charge ancillary or miscellaneous transaction fees that are passed through to the client on Account closing, outgoing asset transfers, in-kind withdrawals, electronic funds transfers and for requesting paper documents. From time to time, in their sole discretion, Beagle Invest and/or the qualified custodian may waive or adjust the amounts or types of fees it charges for ancillary services. Fees for ancillary services will be deducted from the Client's Account.

ETFs generally charge an investment fee for their services as investment managers. The management fee is called an expense ratio. For example, an expense ratio of 0.25 means that the ETF adviser charges 0.25% of the ETF value for their services per annum. These fees are in addition to the fees paid by a client to Beagle Invest. This will reduce net investment returns on Clients' portfolios and are typically reflected in the price of ETF shares.

Clients may obtain the current schedule of such fees and services by contacting Beagle Invest by email at [support@meetbeagle.com](mailto:support@meetbeagle.com).

## **D. ACCOUNT TERMINATION**

The Beagle advisory relationship and Customer Agreements may be canceled at any time, by either party and for any reason. Upon termination of an Account, any unpaid fees will be due and payable. A client may terminate their Beagle Account at any time via the Beagle website, or by contacting Beagle via email at [support@meetbeagle.com](mailto:support@meetbeagle.com).



## **Item 6 Performance-Based Fees and Side-By-Side Management**

Beagle Invest does not charge or accept performance-based fees.

## **Item 7 Types of Clients**

Beagle Invest and its advisory service is available for, and provided to, individuals who are U.S. citizens or lawful residents of the U.S. Each Client is required to successfully complete a new account application and agree to the Customer Agreements terms.

### **A. MINIMUM ACCOUNT SIZE**

The Firm does not require a minimum account size.

## **Item 8 Methods of Analysis, Investment Strategies and Risk of Loss**

### **A. METHODS OF ANALYSIS**

Beagle Invest selects investment portfolios in exchange traded funds (ETFs) that the Firm believes have the potential to generate a favorable return based on the Firm's perception of the associated risk in an asset allocation model, over a long-term investing period. ETFs are selected by Beagle Invest for their low cost investment fees, which generally tend to outperform higher cost actively managed funds over long-term periods. Each of the ETF portfolios are geared towards an individual's ability to tolerate risk, their expectations for portfolio growth and their investment time horizon before reaching retirement age. Beagle Invest manages portfolio monitoring of each Client's accounts and reassesses its portfolio selection criteria each year.

#### **Modern Portfolio Theory**

Beagle Invest recommended portfolios are based on Modern Portfolio Theory ("MPT"). MPT attempts to maximize a portfolio's expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, by selecting the proportions of various asset classes rather than selecting individual securities. To employ MPT properly, one must start with an accurate determination of an individual's objective and subjective tolerance for risk. Achieving accuracy requires sophisticated software applied to more detailed questions than are typically asked by human advisers. Based on this risk analysis, Beagle Invest seeks to create an individualized investment plan using the optimal asset classes in which to invest, the most efficient and inexpensive ETFs to represent each of those asset classes, and the ideal mix of asset classes based on the Client's specific risk tolerance. We look for ETFs that minimize cost and tracking error and offer market liquidity. Many investors do not realize that ETFs do not exactly track the indexes they were created to mimic. Choosing an ETF with a low expense ratio that does not track the asset class recommended by our service runs the risk of sub-optimizing a Client's portfolio's performance. We choose ETFs that are expected to have sufficient liquidity to allow Client withdrawals at any time. Finally, we select ETFs that have conservative and shareholder-friendly securities lending policies.

### **B. RISK OF LOSS**

Investing inherently involves risk up to and including loss of the principal sum. Further, past performance of any ETF is not necessarily indicative of future results. Therefore, future performance of any specific investment or investment strategy based on past performance should not be assumed as a guarantee. Beagle Invest does not provide any representation or guarantee that the financial goals of clients will be achieved.

The potential return or gain and potential risk or loss of an investment varies, generally speaking, with the type of product invested in. Below is an overview of the types of products available on the market and the associated risks of each:

**General Risks.** Investing in securities always involves risk of loss that a Client should be prepared to bear. The Firm does not represent or guarantee that its services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate Clients from losses due to market corrections or declines. The Firm cannot offer any guarantees or promises that Clients' financial goals and objectives can or will be met. Past performance is in no way an indication of future performance. The Firm also cannot assure that third parties will satisfy their obligations in a timely manner or perform as expected or marketed.

**General Market Risk.** Investment returns will fluctuate based upon changes in the value of the portfolio securities. Certain securities held may be worth less than the price originally paid for them, or less than they were worth at an earlier time.

**Common Stocks.** Investments in common stocks, both directly and indirectly through investment in shares of ETFs, may fluctuate in value in response to many factors, including, but not limited to, the activities of the individual companies, general market and economic conditions, interest rates, and specific industry changes. Such price fluctuations subject certain strategies to potential losses. During temporary or extended bear markets, the value of common stocks will decline, which could also result in losses for each strategy.

**Model Risk.** Financial and economic data series are subject to regime shifts, meaning past information may lack value under future market conditions. Models are based upon assumptions that may prove invalid or incorrect under many market environments. We may use certain model outputs to help identify market opportunities and/or to make certain asset allocation decisions. There is no guarantee any model will work under all market conditions. For this reason, we include model related results as part of our investment decision process, but we often weigh professional judgment more heavily in making trades or asset allocations.

**ETF Risks,** including Net Asset Valuations and Tracking Error. A stock index cannot be purchased. As a result, Beagle Invest may purchase ETFs that track a particular stock index. An ETF's performance may not exactly match the performance of the index or market benchmark that the ETF is designed to track because 1) the ETF will incur expenses and transaction costs not incurred by any applicable index or market benchmark; 2) certain securities comprising the index or market benchmark tracked by the ETF may, from time to time, temporarily be unavailable; and 3) supply and demand in the market for either the ETF and/or for the securities held by the ETF may cause the ETF shares to trade at a premium or discount to the actual net asset value of the securities owned by the ETF. Clients should be aware that to the extent they invest in ETF securities they will pay two levels of advisory compensation – advisory fees charged by Beagle Invest plus any advisory fees charged by the issuer of the ETF. This scenario may cause a higher advisory cost (and potentially lower investment returns) than if a Client purchased the ETF directly. An ETF typically includes embedded expenses that may reduce the ETF's net asset value, and therefore directly affect the ETF's performance and indirectly affect a Client's portfolio performance or an index benchmark comparison. Expenses of the ETF may include investment advisor management fees, custodian fees, brokerage commissions, and legal and accounting fees. ETF expenses may change from time to time at the sole discretion of the ETF issuer. ETF tracking error and expenses may vary.

**Inflation, Currency, and Interest Rate Risks.** Security prices and portfolio returns will likely vary in response to changes in inflation and interest rates. Inflation causes the value of future dollars to be worth less and may reduce the purchasing power of an investor's future interest payments and principal. Inflation also generally leads to higher interest rates, which in turn may cause the value of many types of fixed income investments to decline. In addition, the relative value of the U.S. dollar-denominated assets primarily managed by the Firm may be affected by the risk that currency devaluations affect Client purchasing power.

**Liquidity Risk.** Liquidity is the ability to readily convert an investment into cash to prevent a loss, realize an anticipated profit, or otherwise transfer funds out of the particular investment. Generally, investments are more liquid if the investment has an established market of purchasers and sellers, such as a stock or bond listed on a national securities exchange. Conversely, investments that do not have an established market of purchasers and sellers may be considered illiquid. A Client's investment in illiquid investments may be for an indefinite time, because of the lack of purchasers willing to convert the Client's investment to cash or other assets.

**Legislative and Tax Risk.** Performance may directly or indirectly be affected by government legislation or regulation, which may include, but is not limited to: changes in investment advisor or securities trading regulation; change in the U.S. government's guarantee of ultimate payment of principal and interest on certain government securities; and changes in the tax code that could affect interest income, income characterization and/or tax reporting obligations, particularly for options, swaps, master limited partnerships, Real Estate Investment Trust, Exchange Traded Products/Funds/ Securities. Beagle Invest does not engage in tax planning, and in certain circumstances a Client may incur taxable income on their investments without a cash distribution to pay the tax due. Clients and their personal tax advisors are responsible for how the transactions in their account are reported to the IRS or any other taxing authority.

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

**Information Security Risk.** Beagle Invest may be susceptible to risks to the confidentiality and security of its operations and proprietary and customer information. Information risks, including theft or corruption of electronically stored data, denial of service attacks on our website or websites of our third-party service providers, and the unauthorized release of confidential information are a few of the more common risks faced by the Firm and other investment advisers. Data security breaches of our electronic data infrastructure could have the effect of disrupting our operations and compromising our customers' confidential and personally identifiable information. Such breaches could result in an inability to conduct business, potential losses, including identity theft and theft of investment funds from customers, and other adverse consequences to customers. We have taken and will continue to take steps to detect and limit the risks associated with these threats.

**Tax Risks.** Tax laws and regulations applicable to an account with Beagle Invest may be subject to change and unanticipated tax liabilities may be incurred by a Client as a result of such changes. Clients should consult their own tax advisers and counsel to determine the potential tax-related consequences of investing.

**Advisory Risk.** There is no guarantee that our judgment or investment decisions on behalf of any particular Account will necessarily produce the intended results. Our judgment may prove to be incorrect, and an Account might not achieve its investment objectives. In addition, it is possible that we may experience computer equipment failure, loss of internet access, be impacted by software viruses, or other events that may impair access to Accounts. Beagle Invest and its representatives are not responsible to any Account for losses unless caused by us breaching our fiduciary duty.

**Operating Risks.** Beagle Invest is subject to various risks in relation to operating its business, including risks associated with changes in the regulatory environment in which the Firm operates, information security risk, privacy risk, cyber risk, COVID risk, and reliance on third party risk, among other operating risks.

## **Item 9 Disciplinary Information**

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

Beagle Invest, LLC has no disciplinary disclosures. Beagle Financial Services, Inc., the owner and operator of Beagle Invest, LLC, has no disciplinary disclosures.

## **Item 10 Other Financial Industry Activities and Affiliations**

### **A. REGISTRATION AS A BROKER/DEALER OR BROKER/DEALER REPRESENTATIVE**

Beagle Invest is not registered and does not have an application pending to register, as a broker dealer and its management persons are not registered as broker/dealer representative.

### **B. REGISTRATION AS A FUTURES COMMISSION MERCHANT, COMMODITY POOL OPERATOR**

Beagle Invest and its management persons are not registered and do not have an application pending to register, as a futures commission merchant, commodity pool operator/advisor.

### **C. RELATIONSHIPS MATERIAL TO THIS ADVISORY BUSINESS AND POSSIBLE CONFLICTS OF INTEREST**

Beagle Invest, LLC is owned by Beagle Financial Services, Inc., a Delaware registered company in the United States. The Firm's relationship with Beagle Financial Services, Inc. may be considered a conflict between the Firm and the interests of its clients. Jeffrey Tha, is an owner, co-founder, and Chief Revenue Officer in Beagle Financial Services, Inc.

- Beagle Invest does not believe these arrangements create a material conflict of interest with clients because the owner or any investment adviser representatives do not earn commission-based-compensation on advisory accounts
- Beagle Invest and Beagle Financial Services currently share the same address but the separate organizations do not create a material conflict of interest
- Beagle Invest will use certain technology components that Beagle Financial Services has created to facilitate the onboarding and offboarding of Beagle Invest clients
- Confidentiality agreements have been signed to protect clients' interests and sharing of information only for business use.

### **D. SELECTION OF OTHER ADVISORS**

Beagle Invest does not recommend or select other investment advisers for its clients.

## **Item 11 Code of Ethics, Conflicts of Interest, and Personal Trading**

### **A. FIDUCIARY STATUS**

According to federal law, an investment advisor is considered a fiduciary. As a fiduciary, it is an investment advisor's responsibility to provide fair and full disclosure of all material facts. In addition, an investment advisor has a duty of utmost good faith to act solely in the best interest of each of its clients. Beagle Invest and its representatives have a fiduciary duty to all Clients. Beagle Invest and its representatives' fiduciary duty to Clients is considered the core underlying principle for Beagle Invest's Code of Ethics and represents the expected basis for all representatives' dealings with clients. Beagle Invest has the responsibility to ensure that the interests of Clients are placed ahead of it or its representatives' own investment interest. All representatives will conduct business in an honest, ethical, and fair manner. All representatives will comply with all federal and state securities laws at all times. Full disclosure of all material facts and potential conflicts of interest will be provided to Clients prior to services being conducted. All representatives have a responsibility to avoid circumstances that might negatively affect or appear to affect the representatives' duty of complete loyalty to their clients.

### **B. EMPLOYEE TRADING WITH A MATERIAL FINANCIAL INTEREST**

Beagle Invest and its related persons do not recommend to Clients or buy or sell for Client accounts securities in which the Firm or its related persons have a material financial interest.

### **C. DESCRIPTION OF CODE OF ETHICS**

Beagle Invest and/or its investment advisory representatives may from time-to-time purchase or sell the same ETF products or investments that they may recommend to Clients. Beagle Invest has adopted a Code of Ethics that sets forth the basic policies of ethical conduct for all managers, officers, and employees of the adviser.

Beagle Invest collects and maintains records of securities holdings and securities transactions effected by Access Persons. These records are reviewed to identify and resolve potential conflicts of interest. The Firm's Code of Ethics is available upon request by contacting Beagle Invest at [support@meetbeagle.com](mailto:support@meetbeagle.com).

### **D. EMPLOYEE TRADING**

Beagle Invest and its employees may from time to time buy or sell the same ETF securities that are also held in Client accounts. Given the nature of ETF trading and Beagle Invest's selection of specific ETFs that offer reasonable trading liquidity, Beagle Invest does not expect any material conflicts of interest with employee trading or holdings of similar ETFs. Beagle Invest is and shall continue to be in compliance with state and federal insider trading and securities fraud laws.

## **Item 12 Brokerage Practices**

### **A. SELECTION AND RECOMMENDATION**

Beagle Invest exercises discretion over the selection of the broker dealer(s) for Client accounts. Beagle Invest has a duty to select brokers, dealers and other trading venues that provide best execution for Clients. The duty of best execution requires an investment adviser to seek to execute securities transactions for Clients in such a manner that the Client's total cost or proceeds in each transaction is the most favorable under the circumstances, taking into account all relevant factors. The broker dealers Beagle Invest currently utilizes are qualified custodians and clearing brokers.

## Beagle Invest, LLC

It is the policy of the Firm to seek best execution in all portfolio trading activities for all investment disciplines and products, regardless of whether commissions are charged. This applies to trading in any instrument, security, or contract including equities, bonds, and forward or derivative contracts.

The standards and procedures governing best execution are set forth in several written policies. Generally, to achieve best execution, Beagle Invest considers the following factors, without limitation, in selecting brokers and intermediaries:

1. Execution capability;
2. Order size and market depth;
3. Availability of competing markets and liquidity;
4. Trading characteristics of the security;
5. Availability of accurate information comparing markets;
6. Quantity and quality of research received from the broker dealer;
7. Financial responsibility of the broker-dealer;
8. Confidentiality;
9. Reputation and integrity;
10. Responsiveness;
11. Recordkeeping;
12. Ability and willingness to commit capital;
13. Available technology; and
14. Ability to address current market conditions.

Beagle Invest evaluates the execution, performance, and risk profile of the broker-dealers it uses at least annually.

### **B. RESEARCH AND OTHER SOFT DOLLAR BENEFITS**

Soft dollar practices are arrangements whereby an investment adviser directs transactions to a broker-dealer in exchange for certain products and services that are allowable under SEC rules. Client commissions may be used to pay for brokerage and research services and products as long as they are eligible under Section 28(e) of the Exchange Act of 1934. Section 28(e) sets forth a “safe harbor,” which provides that an investment adviser that has discretion over a client account is not in breach of its fiduciary duty when paying more than the lowest commission rate available if the adviser determines in good faith that the rate paid is commensurate with the value of brokerage and research services provided by the broker-dealer.

Beagle Invest does not currently have any soft dollar benefit arrangements.

### **C. BROKERAGE FOR CLIENT REFERRALS**

Beagle Invest maintains a referral program pursuant to which existing clients are compensated for referring new clients. Referring clients are not employees, contractors, or agents of Beagle Invest.

## **Beagle Invest Referral Program**

Beagle Invest offers existing clients with compensation or credit that will be deposited into their Beagle Invest Account. The client account and the referred client accounts are credited upon the referred client completing a new account opening process and depositing an initial investment into their new Beagle account. Beagle may also require that the referred client account stay open for a certain minimum time period before any referral fees are credited. The amount that is credited depends on the referral promotion being offered during that particular time, and when all terms and conditions of the promotion are met.

New Clients are advised of the compensation before opening the account. Referring Clients and solicitors must adhere to terms and conditions established by Beagle Invest and set forth in an agreement with Beagle Invest in accordance with Securities and Exchange Commission Rule 206(4)-3 under the Advisers Act. Referral links are provided through the Beagle Invest website. Clients are not charged any fee or other costs for being referred to Beagle Invest by a current Client, marketer or solicitor.

These arrangements may create an incentive for a third party or other existing Client to refer prospective Clients to Beagle Invest, even if the third party would otherwise not make the referral. These arrangements may also create a conflict of interest for a Client to maintain a certain level of assets managed through Beagle Invest if doing so would result in eligibility to receive an incentive, bonus or additional compensation.

## **D. DIRECTED BROKERAGE**

Securities transactions are executed by brokers selected by Beagle Invest in its discretion and without the consent of Clients. Beagle Invest generally does not offer client directed brokerage services.

## **E. ORDER AGGREGATION**

Beagle Invest may, at times, aggregate sale and purchase orders of securities (“block trading”) for advisory accounts with similar orders in order to obtain the best pricing averages and minimize trading costs. This practice is reasonably likely to result in administrative convenience or an overall economic benefit to the Client. Clients also benefit relatively from better purchase or sale execution prices, or beneficial timing of transactions or a combination of these and other factors. Aggregate orders will be allocated to Client accounts in a systematic non-preferential manner. Beagle Invest may aggregate or “bunch” transactions for a Client’s account with those of other Clients in an effort to obtain the best execution under the circumstances.

## **F. TRADE ERROR POLICY**

Beagle Invest maintains a record of any trading errors that occur in connection with investment activities of its Clients. Both gains and losses that result from a trading error made by Beagle Invest will be borne or realized by Beagle Invest.

# **Item 13 Review of Accounts**

## **A. PERIODIC REVIEWS**

Beagles’ algorithm will regularly review and evaluate Client accounts for compliance with each Client’s investment objectives, policies, and restrictions. As explained above in Item 4, Beagle will rebalance Account’s holdings, no less frequently than quarterly, if it finds that the holdings deviate by 5% or more from the target portfolio allocation. The Firm analyzes rates of return and allocation of assets to determine model strategy effectiveness. Such reviews are conducted by the Chief Compliance Officer of Beagle Invest and shall occur at least once per calendar year.

## **B. INTERMITTENT REVIEW FACTORS**

Intermittent reviews may be triggered by substantial market fluctuation, economic or political events, or when the client makes any changes are made to that Client's investment profile (such as retirement, termination of employment, relocation, inheritance, etc.). Clients are advised to notify Beagle Invest promptly if there are any material changes in their financial situation, investment objectives, or in the event they wish to place restrictions on their Account.

## **C. REPORTS**

Clients may receive confirmations of purchases and sales in their Accounts and will receive, at least quarterly, electronic statements containing account information such as account value, transactions, and other relevant information. Confirmations and statements are prepared and delivered by the qualified custodian. Beagle Account statements are provided to Clients via the website on a quarterly basis.

# **Item 14 Client Referrals and Other Compensation**

## **A. CLIENT REFERRALS**

### **Referrals to Third Parties**

We have entered into a written arrangement with a third party whereby Beagle is compensated for making a client referral. This compensation is a recurring payment of 20% of the client's annual management fee. The referral fee payments do not cause an increase in the advisory fee paid by the client.

### **Referrals from Third Parties**

From time to time, third parties will refer clients to us, in which case we will compensate the third party for each client that is referred to us. These referral fee payments do not cause an increase in the advisory fee paid by the client.

## **B. OTHER COMPENSATION**

Beagle will compensate current clients as part of the referral program described in Item 12(c) above.

# **Item 15 Custody**

## **A. CUSTODIAN OF ASSETS**

Custody means holding, directly or indirectly, client funds or securities or having any authority to obtain possession of them.

Beagle Invest does not have direct custody of any Client funds and/or securities. Beagle Invest will not maintain physical possession of Client funds and securities. Instead, Clients' funds and securities are held by our qualified custodian.

While Beagle Invest does not have physical custody of client funds or securities, payments of fees may be paid by the custodian from the custodial brokerage account that holds Client funds pursuant to the Client's Customer Agreements and account application.



In certain jurisdictions, the ability of Beagle Invest to withdraw its subscription fees from the Client's account may be deemed custody. Prior to permitting direct debit of fees, each Client provides written authorization permitting fees to be paid directly from the custodian.

As part of the billing process, the Client's custodian is advised of the amount of the fee to be deducted from that Client's account. On at least a quarterly basis, the custodian is required to send to the Client a statement showing all transactions within the account during the reporting period. The custodian does not calculate the amount of the fee to be deducted and does not verify the accuracy of Beagle Invest's advisory calculation. Therefore, it is important for Clients to carefully review their custodial statements to verify the accuracy of the calculation. Clients should contact Beagle Invest directly if they believe that there may be an error in their statement.

Beagle Invest currently utilizes Apex Clearing Corporation ("Apex"), an SEC registered broker-dealer as our qualified custodian.

## **Item 16 Investment Discretion**

Beagle Invest may exercise full discretionary authority to supervise and direct the investments of a Client's account. This authority will be granted by Clients upon completion of Beagle Invest's Customer Agreements. This authority allows Beagle Invest and its affiliates to implement investment decisions without prior consultation with the Client. Such investment decisions are made in the Client's best interest and in accordance with the Client's investment objectives. Other than agreed upon subscription fees due to Beagle Invest, this discretionary authority does not grant the Firm the authority to have custody of any assets in the Client's account or to direct the delivery of any securities or the payment of any funds held in the Account to Beagle Invest. The discretionary authority granted by the Client to the Firm does not allow Beagle Invest to direct the disposition of such securities or funds to anyone except the account holder.

## **Item 17 Voting Client Securities**

The Firm does not perform proxy voting services on the Client's behalf. Clients are encouraged to read through the information provided with the proxy voting documents and to make a determination based on the information provided by our custodian partner. Clients have the ultimate responsibility for making all proxy voting decisions for the ETF shares in their portfolios.

## **Item 18 Financial Information**

### **A. BALANCE SHEET REQUIREMENT**

Beagle Invest is not the qualified custodian for Client funds or securities and does not require prepayment of fees of more than \$500 per Client, six (6) months or more in advance.

### **B. FINANCIAL CONDITION**

Beagle Invest does not have any financial impairment that would preclude the Firm from meeting contractual commitments to Clients.

### **C. BANKRUPTCY PETITION**

Beagle Invest has not been the subject of a bankruptcy petition at any time during the last 10 years.