

DISCLOSURE BROCHURE

## **ADVANCED RESEARCH INVESTMENT SOLUTIONS, LLC**

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This brochure provides information about the qualifications and business practices of Advanced Research Investment Solutions, LLC (hereinafter “ARIS” or the “Firm”). If you have any questions about the contents of this brochure, please contact the Firm at this telephone number listed above. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority. Additional information about the Firm is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The Firm is a registered investment adviser. Registration does not imply any level of skill or training.

## Item 2. Material Changes

In this Item, ARIS is required to discuss any material changes that have been made to the brochure since the last annual amendment.

The Firm has made material changes to the following items in the brochure since its last update on March 31, 2020:

- Item 4 has been updated to reflect the fact that Evoke Holdings, LLC (“Evoke”) recently acquired 100% of the interests in the Firm as part of a merger combination, with an effective date of May 1, 2020. As such, both Mssrs. Alex Shahidi and Damien Bissierier have become partners of Evoke. Evoke is primarily owned by Mr. David Hou through his trusts.
- Item 10 has been updated to reflect the fact that the Firm is now affiliated with Evoke Wealth, LLC since both the Firm and Evoke Wealth, LLC are under common control of Evoke, share employees and other personnel, and also share office space. Both the Firm and Evoke Wealth, LLC remain independently registered as investment advisers with the Securities and Exchange Commission.

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## Item 4. Advisory Business

ARIS was formed in 2014 and as of May 1, 2020, is wholly owned by Evoke Holdings, LLC, which is primarily owned by Mr. David Hou through his trusts. As of December 31, 2019, the Firm has \$13,439,042,000 of assets under advisement (this total includes assets of the Alpha Funds, as defined below, which were launched on September 1, 2015). The Firm's assets under advisement include \$11,621,447,000 of non-discretionary assets under management, \$451,109,000 of discretionary assets under management and \$1,366,486,000 of assets where the Firm provides investment consulting services.

Prior to ARIS rendering any advisory services, clients are required to enter into one or more written agreements with ARIS setting forth the relevant terms and conditions of the advisory relationship (the "Advisory Agreement").

While this brochure generally describes the business of ARIS, certain sections also discuss the activities of its Supervised Persons, which refer to the Firm's officers, partners, directors (or other persons occupying a similar status or performing similar functions), employees or any other person who provides investment advice on ARIS's behalf and is subject to the Firm's supervision or control.

### Investment Management Services

ARIS manages client investment portfolios on both a discretionary and non-discretionary basis. ARIS primarily recommends clients allocate assets among various independent investment managers ("Independent Managers"), investment funds (including privately placed securities), mutual funds, exchange-traded funds ("ETFs"), individual debt and equity securities, and options in accordance with their stated investment objectives.

Where appropriate, the Firm may also provide advice about any type of legacy position or other investment held in client portfolios. Clients may engage ARIS to manage and/or advise on certain investment products that are not maintained at their primary custodian, such as variable life insurance and annuity contracts and assets held in employer sponsored retirement plans and qualified tuition plans (i.e., 529 plans). In these situations, ARIS directs or recommends the allocation of client assets among the various investment options available with the product. These assets are generally maintained at the underwriting insurance company or the custodian designated by the product's provider.

ARIS tailors its advisory services to meet the needs of its individual clients and seeks to ensure, on a continuous basis, that client portfolios are managed in a manner consistent with those needs and objectives. ARIS consults with clients on an initial and ongoing basis to assess their specific risk tolerance, time horizon, liquidity constraints and other related factors relevant to the management of their portfolios. Clients are advised to promptly notify ARIS if there are changes in their financial situation or if they wish to place any limitations on the management of their portfolios. Clients may impose reasonable restrictions or mandates on the management of their accounts if ARIS determines, in its sole discretion, the conditions would not materially impact the performance of a management strategy or prove overly burdensome

to the Firm's management efforts.

### **Use of Independent Managers**

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As mentioned above, ARIS may recommend certain Independent Managers actively manage a portion of its clients' assets. The specific terms and conditions under which a client engages an Independent Manager may be set forth in a separate written agreement with the designated Independent Manager. In addition to this brochure, clients may also receive the written disclosure documents of the respective Independent Managers engaged to manage their assets.

ARIS evaluates a variety of information about Independent Managers, which may include the Independent Managers' public disclosure documents, materials supplied by the Independent Managers themselves and other third-party analyses it believes are reputable. To the extent possible, the Firm seeks to assess the Independent Managers' investment strategies, past performance and risk results in relation to its clients' individual portfolio allocations and risk exposure. ARIS also takes into consideration each Independent Manager's management style, returns, reputation, financial strength, reporting, pricing and research capabilities, among other factors.

ARIS continues to provide services relative to the non-discretionary selection of the Independent Managers. On an ongoing basis, the Firm monitors the performance of those accounts being managed by Independent Managers. ARIS seeks to ensure the Independent Managers' strategies and target allocations remain aligned with its clients' investment objectives and overall best interests.

### **Retirement Plan and Investment Consulting Services**

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ARIS also offers clients a broad range of retirement plan and investment consulting services, which may include advice regarding asset allocation, manager selection and investment risk management, among other areas.

ARIS may recommend clients engage the Firm for additional related services and/or other professionals to implement its recommendations. Clients are advised that a conflict of interest exists if clients engage ARIS or its affiliates to provide additional services for compensation. Clients retain absolute discretion over all decisions regarding implementation and are under no obligation to act upon any of the recommendations made by ARIS under a retirement plan or investment consulting engagement. In performing these services, ARIS is not required to verify any information received from the client or from the client's other professionals (e.g., attorneys, accountants, etc.) and is expressly authorized to rely on such information. Clients are advised that it remains their responsibility to promptly notify the Firm of any change in their financial situation or investment objectives for the purpose of reviewing, evaluating or revising ARIS's recommendations and/or services.

### **Advisory Services to the Alpha Funds**

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ARIS entered into an investment management agreement with Advanced Research Alpha Fund, L.P. and Advanced Research Alpha Fund, Ltd. (individually, the “Onshore Fund” and the “Offshore Fund”, respectively, and collectively, the “Alpha Funds”), whereby ARIS provides investment management and investment advisory services to the Alpha Funds.

ARIS launched the Alpha Funds to provide its existing clients, new clients, and investors in the Alpha Funds with access to a diversified portfolio of lowly correlated alternative investment managers.

ARIS provides investment management and advisory services to the Alpha Funds through the direct investment of a portion of the Alpha Funds’ assets as well as through the investment in other privately offered investment funds. As part of its investment management and advisory role, ARIS will also evaluate and select a group of investment managers to manage certain of the Alpha Funds’ assets.

For the services rendered, ARIS will receive a management fee as follows:

- (a) For advisory clients of ARIS who are also investors in the Alpha Funds, the management fee is based on the advisory contract with ARIS that generally follows the fee schedule listed under “Fees” in Item 5 of this brochure. Advisory clients will only be subject to the agreed upon fees and will not incur a separate management fee with respect to an investment into the Alpha Funds;
- (b) For investors in the Alpha Funds who are not advisory clients or employees of ARIS, they will be subject to the applicable fee schedule listed under “Management Fee for the Alpha Funds” in Item 5 of this brochure and detailed further in the offering documents for each of the Alpha Funds, respectively.

### **Sponsor and Index Provider for the RPAR Risk Parity ETF**

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In December 2019, Tidal ETF Services launched the RPAR Risk Parity ETF (“RPAR”) with ARIS serving as fund sponsor. While ARIS does not manage, advise or sub-advise RPAR, ARIS is the creator of and manages the Advanced Research Risk Parity Index (“RPARTR”) which RPAR seeks to replicate. As such, ARIS is considered an affiliated index provider to RPAR. To mitigate any potential for conflicts as the Index Provider, ARIS has retained a separate, unaffiliated and independent third party, Solactive AG (the “Calculation Agent”). ARIS has no affiliation to RPAR’s Calculation Agent, RPAR’s adviser, RPAR’s sub-adviser, RPAR’s distributor, nor any of their respective affiliates. The Calculation Agent, using the applicable rules-based methodology, calculates, maintains, and disseminates RPARTR on a daily basis. ARIS monitors the results produced by the Calculation Agent to help ensure that RPARTR is being calculated in accordance with the applicable rules-based methodology. In addition, ARIS has established

policies and procedures designed to prevent non-public information about pending changes to RPARTR from being used or dissented in an improper manner. Furthermore, ARIS has established policies and procedures designed to prevent improper use and dissemination of non-public information about RPAR's portfolio strategy.

It is important to note that as the sponsor of RPAR, ARIS receives a portion of the fees collected, and therefore, is incentivized to market RPAR to ARIS Clients and prospective investors. This inherently creates a conflict of interest that both ARIS Clients and prospective investors should carefully consider when deciding whether to invest in RPAR. To the extent that ARIS invests advisory Client assets in RPAR, ARIS or its related persons may charge management fees both at the RPAR level and Client account level; however, we or our related persons may also waive management fees (or certain portions thereof) on Client assets invested in RPAR, credit or rebate a Client account for the fees paid by RPAR to us or our related persons, or otherwise avoid or limit the payment of duplicative fees to us and our related persons.

## Item 5. Fees and Compensation

ARIS offers services on a fee basis, which includes fees based upon assets under management or advisement, as well as fixed fees.

### Fees

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ARIS offers its services for an annual fee based on the amount of assets under the Firm's management or advisement. This management fee generally varies in accordance with the following fee schedule:

PORTFOLIO VALUE	FEE
Up to \$10,000,000	0.60%
\$10,000,001 - \$50,000,000	0.50%
\$50,000,001 - \$100,000,000	0.40%
Above \$100,000,000	Customized Fee

Alternatively, ARIS may provide its services to certain clients for a fixed fee. These fees are negotiable, but generally range from \$50,000 to \$1,000,000 depending upon the amount of assets to be managed or advised upon, as well as the scope and complexity of the services provided.

The annual fee is prorated and charged quarterly, in advance, based upon the market value of the assets being managed by ARIS on the last day of the previous billing period.

If assets are deposited into or withdrawn from an account after the inception of a billing period, the fee payable with respect to such assets is not adjusted to reflect the interim change in portfolio value. For the initial period of an engagement, the fee is calculated on a *pro rata* basis. In the event the advisory agreement is terminated, the fee for the final billing period is prorated through the effective date of the termination and the outstanding or unearned portion of the fee is charged or refunded to the client, as appropriate.

### Fee Discretion

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ARIS may, in its sole discretion, negotiate to charge a lesser fee based upon certain criteria, such as anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing/legacy client relationship, account retention and pro bono activities

### **Additional Fees and Expenses**

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In addition to the advisory fees paid to ARIS, clients may also incur certain charges imposed by other third parties, such as broker-dealers, custodians, trust companies, banks and other financial institutions (collectively “Financial Institutions”). These additional charges may include securities brokerage commissions, transaction fees, custodial fees, fees attributable to alternative assets, fees charged by the Independent Managers, margin costs, charges imposed directly by a mutual fund or ETF in a client’s account, as disclosed in the fund’s prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. The Firm’s brokerage practices are described at length in Item 12, below.

### **Direct Fee Debit**

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Most clients are invoiced by ARIS for fees. In certain circumstances, clients can provide ARIS and/or certain Independent Managers with the authority to directly debit their accounts for payment of the investment advisory fees. The Financial Institutions that act as the qualified custodian for client accounts, from which the Firm retains the authority to directly deduct fees, have agreed to send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to ARIS.

### **Account Additions and Withdrawals**

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Clients may make additions to and withdrawals from their account at any time, subject to ARIS’s right to terminate an account. Additions may be in cash or securities provided that the Firm reserves the right to liquidate any transferred securities or declines to accept particular securities into a client’s account. Clients may withdraw account assets on notice to ARIS, subject to the usual and customary securities settlement procedures. However, the Firm generally designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client’s investment objectives. ARIS may consult with its clients about the options and implications of transferring securities. Clients are advised that when transferred securities are liquidated, they may be subject to transaction fees, short-term redemption fees, fees assessed at the mutual fund level (e.g., contingent deferred sales charges) and/or tax ramifications.

### **Management Fee for the Alpha Funds**

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For investors in the Alpha Funds who are also advisory clients of ARIS, such investors will only be subject to the advisory client management fees agreed upon with ARIS based generally on the fee schedule described under “Fees” above in this Item 5 and will not incur a separate management fee with respect to an investment made into the Alpha Funds.

ARIS will, however, receive a management fee (the “Management Fee”) with respect to any investor who is not an advisory client or employee of ARIS (an “Outside Investor”) from either the Onshore Fund or Offshore Fund, respectively, as of the first day of each quarter in advance.

With respect to the Onshore Fund, the Management Fee will be equal to a percentage of each Outside Investor’s total capital account balance in the Onshore Fund as of the first day of such quarter. The Management Fee will be prorated for interests held for less than a full quarter or held an investor who becomes an Outside Investor on any date other than the first day of a calendar quarter.

The quarterly fee percentage applicable to an Outside Investor of the Onshore Fund is calculated based on the Outside Investor’s total capital account balance as of the first day of each quarter, as follows:

<i>Capital Account Balance</i>	<i>Fee Percentage</i>
Up to \$10,000,000	0.150% (approx. 0.60% on an annualized basis)
\$10,000,001 - \$50,000,000	0.125% (approx.. 0.50% on an annualized basis)
\$50,000,001 - \$100,000,000	0.100% (approx.. 0.40% on an annualized basis)
Above \$100,000,000	0.075% (approx.. 0.30% on an annualized basis)

With respect to the Offshore Fund, the Management Fee will be equal to a percentage of the net asset value (“NAV”) of the shares held by each Outside Investor as of the first day of such quarter. The Management Fee will be prorated for shares held for less than a full calendar quarter or held by an investor who becomes an Outside Investor on any date other than the first day of a calendar quarter.

The quarterly fee percentage applicable to an Outside Investor’s shares in the Offshore Fund is calculated based on the aggregate NAV of such Outside Investor’s shares as of the first day of each quarter, as follows:

<i>Aggregate NAV</i>	<i>Fee Percentage</i>
Up to \$10,000,000	0.150% (approx. 0.60% on an annualized basis)
\$10,000,001 - \$50,000,000	0.125% (approx.. 0.50% on an annualized basis)
\$50,000,001 - \$100,000,000	0.100% (approx.. 0.40% on an annualized basis)
Above \$100,000,000	0.075% (approx.. 0.30% on an annualized basis)

ARIS, in its discretion, may waive or reduce the Management Fee to be borne by an Outside Investor of the Alpha Funds for any reason, including to reflect matters such as the amount of the Outside Investor’s investment and its commitment to maintain its investment in the Alpha Funds. ARIS may also share portions of the Management Fee with persons who refer investors to the Alpha Funds at its own expense.

*Fees and Expenses of the Portfolio Funds*

The Alpha Funds will bear a pro rata share of the fees and expenses of the Portfolio Funds in which the Alpha Funds invest that are in addition to the fees and expenses directly incurred by the Alpha Funds. Such fees will typically include an annual management fee, generally ranging from 1% to 3% of the value of the net assets under management, and a performance-based fee, generally ranging from 15% to 25% of the aggregate net capital appreciation in the relevant Portfolio Fund for the year.

The Alpha Funds' investments in the Portfolio Funds will also result in a layering of expenses, such that the Alpha Fund investors will indirectly incur a proportionate share of the operating expenses of the Portfolio Funds. These operating expenses will typically include brokerage commissions, custodial charges, audit fees, research expenses, legal fees, federal, state and local taxes, filing and registration fees, expenses relating to investor relations and communications, securities lending fees and administration expenses. Strategies utilized by the Portfolio Funds may require substantial trading and, as a result, portfolio turnover and brokerage commission expenses may significantly exceed those of other investment entities of comparable size. Moreover, such trading will generally be out of the direct control of ARIS.

*Additional Fees and Expenses*

The Alpha Funds bear all expenses of their organization and operation including management fees, expenses incurred in the purchase and sale of investments, and accounting fees, as determined by ARIS. ARIS may at its discretion choose to pay or reimburse the Alpha Funds for all or any portion of such expenses. In such event, ARIS may be reimbursed at a later date by the Alpha Funds for such expenses borne by ARIS.

For accounting purposes, the organization expenses of the Alpha Funds, as well as any operating expenses, which, in the sole discretion of ARIS, are expected to benefit the Alpha Funds over a period of time greater than one year, may be amortized over a period of 60 months or such other time period as ARIS determines to be fair and equitable in its sole discretion.

*Transaction Fee*

In ARIS' sole discretion, a fee may be charged to a redeeming Shareholder or a withdrawing Limited Partner (as applicable) in connection with any redemption by the Shareholder or withdrawal by the Limited Partner to ensure that the portfolio transaction costs and expenses incurred in connection with the disposition of investments will be borne by the Shareholder or Limited Partner (as applicable). Such fee will not exceed the amount of such costs and expenses and will be payable to, and retained by, the Offshore Fund or Onshore Fund, respectively.

**Item 6. Performance-Based Fees and Side-by-Side Management**

ARIS does not currently provide any services for a performance-based fee (i.e., a fee based on a share of capital gains or capital appreciation of a client's assets).

## Item 7. Types of Clients

ARIS offers services to pension and profit-sharing plans, pooled investment vehicles, endowments, charitable organizations, guilds and health plans, investment companies, family offices, corporations and other business entities, individuals, and trusts and estates.

### Minimum Account Value

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As a condition for starting and maintaining an investment management relationship, ARIS generally imposes a minimum portfolio value of \$10,000,000. ARIS may, in its sole discretion, accept clients with smaller portfolios based upon certain criteria, including anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client, account retention, and pro bono activities. ARIS only accepts clients with less than the minimum portfolio size if the Firm determines the smaller portfolio size will not cause a substantial increase of investment risk beyond the client's identified risk tolerance. ARIS may aggregate the portfolios of related accounts to meet the minimum portfolio size.

### Alpha Funds

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The Alpha Funds are private investment funds formed for investment purposes. ARIS acts as the general partner to the Onshore Fund, as investment manager to the Offshore Fund, and as the sponsor for the Alpha Funds. Certain ARIS officers and employees may have investment interests in the Alpha Funds and in the general partner and/or investment manager to the Alpha Funds. Investors in the Onshore Fund must be "qualified purchasers" within the meaning of Section 2(a)(51) of the 1940 Act. Investors in the Offshore Fund must be "accredited investors" as defined in Regulation D of the Securities Act of 1933, as amended. Each of the Alpha Funds imposes the following minimum account size to open and maintain an account:

Onshore Fund: \$1,000,000

Offshore Fund: \$1,000,000

ARIS reserves the right in its sole discretion to waive account minimums in certain circumstances.

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

### Methods of Analysis and Investment Strategies

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ARIS provides investment advisory services that are customized to each client's investment objectives, time horizon and risk tolerances. The Firm's advice is rooted in a fundamental understanding of global economic conditions and asset class pricing, and an ability to discern top-tier third party investment talent. In offering advisory services, ARIS utilizes the following methods:

#### *Dialogue / Establishing Investment Objectives*

At the outset of every engagement, and on an ongoing basis, ARIS engages in an active dialogue to gain an understanding of the client's goals, objectives and constraints. This dialogue may include the comparison of different portfolio alternatives, with relevant return and risk metrics (e.g. drawdown, volatility of returns). ARIS collaborates with the client to establish or update the client's investment objectives. Investment objectives typically represent a long-term strategy for the portfolio(s). ARIS is generally authorized to manage client portfolios within the parameters of the client's investment objectives.

#### *Portfolio Design and Asset Allocation*

The first step in ARIS' investment process is determining an appropriate asset allocation for each client. The Firm has developed an analytical framework for asset allocation that seeks to maximize the consistency of absolute returns subject to each client's investment objectives. The analysis is based on proprietary and third party research on economic conditions, current asset class valuations, and a fundamental understanding of the key economic drivers for each asset class.

The risks inherent in an allocation approach to investing may include fundamental analysis that leads to the investment in an asset or strategy, while market conditions nonetheless negatively impact the value of the asset or strategy.

#### *Portfolio Construction and Implementation*

Based upon the client's investment objectives, ARIS recommends a carefully selected mix of active and passive strategies, helping to ensure low cost and tax-efficiency (when applicable). In cases where ARIS has investment discretion, the Firm actively implements, monitors, and rebalances the assets comprising the investment program. Where the Firm does not have discretion, it recommends an initial allocation and subsequent rebalancing of investments.

Portfolio implementation and rebalancing are managed across several key variables, which may include: valuation, asset class, geography, market capitalization, style, sector, and liquidity.

### *Manager Selection and Due Diligence*

ARIS recognizes that many active managers do not beat their benchmarks net of fees over multiple cycles, so active management is utilized only with advisors (including fund managers and Independent Managers) that ARIS deems to have reliable, demonstrated skill. These managers are chosen based on ARIS' qualitative assessment of their investment skill and their longer-term performance record rather than the typically emphasized returns over the past three to five years.

## **Risk of Loss**

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### *Market Risks*

Investing involves risk, including the potential loss of principal, and all investors should be guided accordingly. The profitability of a significant portion of ARIS's recommendations and/or investment decisions may depend to a great extent upon correctly assessing the future course of price movements of stocks, bonds and other asset classes. There can be no assurance that ARIS will be able to predict those price movements accurately or capitalize on any such assumptions.

### *Mutual Funds and ETFs*

An investment in a mutual fund or ETF involves risk, including the loss of principal. Mutual fund and ETF shareholders are necessarily subject to the risks stemming from the individual issuers of the fund's underlying portfolio securities. Such shareholders are also liable for taxes on any fund-level capital gains, as mutual funds and ETFs are required by law to distribute capital gains in the event they sell securities for a profit that cannot be offset by a corresponding loss.

Shares of mutual funds are generally distributed and redeemed on an ongoing basis by the fund itself or a broker acting on its behalf. The trading price at which a share is transacted is equal to a fund's stated daily per share net asset value ("NAV"), plus any shareholders fees (e.g., sales loads, purchase fees, redemption fees). The per share NAV of a mutual fund is calculated at the end of each business day, although the actual NAV fluctuates with intraday changes to the market value of the fund's holdings. The trading prices of a mutual fund's shares may differ significantly from the NAV during periods of market volatility, which may, among other factors, lead to the mutual fund's shares trading at a premium or discount to actual NAV.

Shares of ETFs are listed on securities exchanges and transacted at negotiated prices in the secondary market. Generally, ETF shares trade at or near their most recent NAV, which is generally calculated at least once daily for indexed based ETFs and potentially more frequently for actively managed ETFs. However, certain inefficiencies may cause the shares to trade at a premium or discount to their pro rata NAV. There is also no guarantee that an active secondary market for such shares will develop or continue to exist. Generally, an ETF only redeems shares when aggregated as creation units (usually

20,000 shares or more). Therefore, if a liquid secondary market ceases to exist for shares of a particular ETF, a shareholder may have no way to dispose of such shares.

#### *Use of Private Collective Investment Vehicles*

ARIS recommends that certain clients invest in privately placed collective investment vehicles (e.g., hedge funds, private equity funds, real estate funds, etc.). The managers of these vehicles have broad discretion in selecting the investments. There are few limitations on the types of securities or other financial instruments which may be traded and no requirement to diversify. Hedge funds may trade on margin or otherwise leverage positions, thereby potentially increasing the risk to the vehicle. In addition, because the vehicles are not registered as investment companies, there is an absence of regulation. There are numerous other risks in investing in these securities. Clients should consult each fund's private placement memorandum and/or other documents explaining such risks prior to investing.

#### *Use of Third Parties for Management (General)*

As discussed, ARIS typically allocates client assets through third party advisors, including Independent Managers, ETFs, Mutual Funds and Private Investment Vehicles. The risks associated with the allocation of certain assets with these advisors include that ARIS is relying on the expertise of third parties, as well as the ability of its diligence procedures to select and monitor appropriate advisors.

ARIS will continue to do ongoing due diligence of recommended third party advisors, but such recommendations rely, to a great extent, on those advisors' ability to successfully implement their investment strategy. ARIS does not have day-to-day supervisory or management responsibilities for third party advisors.

#### *Options*

Options allow investors to buy or sell a security at a contracted "strike" price at or within a specific period of time. Clients may pay or collect a premium for buying or selling an option. Investors transact in options to either hedge (i.e., limit) losses in an attempt to reduce risk or to speculate on the performance of the underlying securities. Options transactions contain a number of inherent risks, including the partial or total loss of principal in the event that the value of the underlying security or index does not increase/decrease to the level of the respective strike price. Holders of options contracts are also subject to default by the option writer which may be unwilling or unable to perform its contractual obligations.

#### *Real Estate Investment Trusts (REITs)*

ARIS may recommend an investment in, or allocate assets among, various real estate investment trusts ("REITs"), the shares of which exist in the form of either publicly traded or privately placed securities. REITs are collective investment vehicles with portfolios comprised primarily of real estate and mortgage related holdings. Many REITs hold heavy concentrations of investments tied to commercial and/or residential developments, which inherently subject REIT investors to the risks associated with a downturn in the real estate market. Investments linked to certain regions that experience greater volatility in the

local real estate market may give rise to large fluctuations in the value of the vehicle's shares. Mortgage related holdings may give rise to additional concerns pertaining to interest rates, inflation, liquidity and counterparty risk.

## **The Alpha Funds**

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### *Investment Objective*

The Alpha Funds seek a high level of absolute return consistent with preservation of capital. The Alpha Funds will implement a diversity of strategies which, in the aggregate, attempt to provide lower volatility and lower correlation than the broader general markets. ARIS may directly invest a portion of the Alpha Funds' assets and will implement additional non-correlated financial strategies through investment in other privately offered investment funds ("Portfolio Funds"). The Alpha Funds may also engage additional managers ("Portfolio Managers") to directly invest portions of the Alpha Funds' assets. There can be no assurance that the Alpha Funds will achieve their investment objectives.

### *Investment Strategies*

ARIS will evaluate, select and monitor the Alpha Funds' investments in Portfolio Funds and with Portfolio Managers as well as the ongoing allocation and reallocation of the Alpha Funds' assets. The Alpha Funds will allocate their assets principally among Portfolio Funds and Portfolio Managers (collectively, "Investment Managers") who generally employ the following strategies: event-driven strategies; relative value strategies; global macro strategies; equity strategies and credit strategies as well as other unique financing or business situations. The selection process will involve due diligence on each Investment Manager including a review of the investment model, risk/reward relationship, historical returns, general background and reputation as well as the adequacy of their infrastructure and internal controls.

ARIS intends to allocate the Alpha Funds' assets to a select group of Investment Managers with extensive experience in generating strong risk adjusted returns that are lowly correlated to market indices and to one another. ARIS believes that by selecting managers that have historically exhibited low correlation to one another, it may minimize risk through diversification. The Investment Managers are expected to have diverse investment styles and strategies that ARIS believes complement each other and which may lead to more consistent results. Additionally, by exhibiting low correlation to market indices, the portfolios of the Alpha Funds are designed to provide valuable diversification to a long-only portfolio of stocks and bonds.

The strategies of the Investment Managers are diverse and may include, without limitation, distressed debt, event driven, fundamental long/short equities, quantitative model-driven trading, and discretionary global macro. Selected strategies will exploit opportunities in the market via technical trading and fundamental research. ARIS intends to utilize Investment Managers that take both long and short positions in selected securities and groups of securities without structurally being exposed to any particular market segment over time. The Alpha Funds' investment strategy is designed to take advantage of broad market opportunities

and it is the goal of ARIS that the Alpha Funds' investments have very low correlation with financial market performance as well as lower overall volatility than worldwide equity markets.

#### *Investment Selection*

ARIS intends to select Investment Managers who satisfy a stringent selection process. To maximize the chances for success, allocations among Investment Managers are determined based on factors that include, but are not limited to, the following:

- The proven ability to produce attractive long-term, risk-adjusted investment results with low correlation to market indices;
- Strong performance record during a range of time periods and market cycles, with particular focus on performance during equity bear markets;
- Low correlation with other Investment Managers in the Alpha Funds' portfolios and an expected significant contribution to the Alpha Fund's targeted risk/return profile;
- Total assets under management that would not significantly curtail the Investment Manager's ability to perform well;
- Focus, dedication and adherence to a defined investment strategy;
- The presence of risk management discipline and organized internal controls;
- A quality support infrastructure, with high quality individuals in all key positions;
- Reporting transparency; and
- Substantial personal investment by the Investment Managers in their respective Portfolio Funds or investment strategy, as applicable.

The Investment Managers that preliminarily fit the Alpha Funds' investment parameters are researched and investigated further. ARIS uses a variety of analytical and research tools, together with its past investment experience, to perform exhaustive due diligence in evaluating an Investment Manager's performance.

The Alpha Funds intend to select Investment Managers that use strategies that have historically generated high risk-adjusted returns with low correlation to market indices. An Investment Manager's performance is analyzed with particular attention given to periods of notably strong or weak results. ARIS is not limited to selecting Investment Managers with past investment histories and may invest with Investment Managers based on its assessment of future prospects. ARIS, in its sole discretion, may select new Investment Managers, or terminate relationships with existing Investment Managers, at any time.

The identity and number of Investment Managers are expected to change over time. The Alpha Funds may withdraw from, or invest in, different Portfolio Funds and terminate or enter into new investment advisory agreements with different Portfolio Managers without prior notice to, or consent of, the investors of the Alpha Funds. ARIS reserves the right to alter or modify some or all of the Alpha Funds' investment strategies in light of available investment opportunities and to take advantage of changing market conditions, where

ARIS concludes that such alterations or modifications are consistent with the goal of achieving significant alpha over the short- and long-term, subject to what ARIS considers an acceptable level of risk. There can be no assurance that the asset allocations made by ARIS will enable it to meet the Alpha Funds' investment objective.

ARIS provides ongoing portfolio management and supervision and has the ability to allocate capital flexibly across investment strategy types and direct investments, Portfolio Funds, and Portfolio Managers based on changes in market conditions.

While ARIS intends to invest the Alpha Funds' assets as described elsewhere herein, ARIS has wide latitude to act upon any particular strategy or tactic or to change the Alpha Funds' emphasis or objective, all without obtaining the consent of the investors in the Alpha Funds. There are no specific quantitative criteria such as an Investment Manager's asset size, strategy, coverage or industry type that would make the Investment Manager unsuitable for investment by the Alpha Funds.

#### *Certain Risk Factors of the Alpha Funds*

The Alpha Funds are newly organized and have no operating history. ARIS is recently organized and has only a limited operating history. The Alpha Funds' investments involve a high degree of risk and may be considered speculative. Purchase of an interest or a share in the Alpha Funds is not intended as a complete investment program. The Alpha Funds are for sophisticated investors who can accept a high degree of risk in their investment, do not need regular current income and can accept a potential loss of their entire investment. Each prospective investor should make such investigation and evaluation of such risks as it concludes is appropriate.

#### **Risks of Investments by Investment Managers**

The Investment Managers to which the Alpha Funds may allocate their capital may invest in a variety of securities and other instruments, and may utilize a variety of investment strategies and practices, including United States and foreign equities and fixed income securities, options, warrants, futures contracts and futures options on securities and securities indices, short sales, swap agreements, forward contracts, foreign exchange contracts, fund interests, distressed securities, closed-end funds, risk arbitrage, special situations and other financial instruments of any and all types. All of these securities, instruments, and strategies involve substantial risks. Trading may in some circumstances be speculative, prices may be volatile, and market movements are difficult to predict. In addition, government activities, especially those of the Federal Reserve System and foreign central banks, have a substantial effect on interest rates, which in turn can affect the prices of securities and other instruments held by the Alpha Funds' investment vehicles.

#### **Multiple Investment Managers**

The Alpha Funds may invest with multiple Portfolio Funds and Portfolio Managers which make their trading decisions independently. ARIS will seek to obtain diversification by investing with a number of different

Portfolio Funds with different strategies, philosophies and styles. However, it is possible that several managers may take substantial positions in similar securities at the same time, leading to a possible lack of diversification. It is also possible that one or more of the Investment Managers may, at any time, take positions which may be opposite to those taken by the Alpha Funds, or other Investment Managers, and may compete with each other for similar positions at the same time. The possible lack of diversification caused by these factors may subject the investments of the Fund to more rapid change in value than would be the case if the assets of the Alpha Funds were more widely diversified.

### **Concentration of Investments**

Neither the Limited Partnership Agreement for the Onshore Fund nor the Charter Documents for the Offshore Fund impose any limits on the number of Portfolio Funds or Portfolio Managers to which the Alpha Funds may allocate their assets. The General Partner will attempt to spread the Alpha Funds' capital among a number of Portfolio Funds and Portfolio Managers. However, at times the Alpha Funds may hold a relatively small number of investments, each representing a relatively large portion of the Alpha Funds' capital, and at times may hold a large percentage of the Alpha Funds' capital in cash while awaiting better opportunities. Losses incurred in such positions could have a material adverse effect on the Alpha Funds' overall financial condition, including opportunity loss.

### **No Control Over Issuers of Portfolio Securities**

The Alpha Funds may acquire substantial positions in the securities of particular companies through the investments made by the Investment Managers. Nevertheless, the Alpha Funds are unlikely to be represented on the board of directors or share any control over the management of any such company. The success of each investment depends on the ability and success of the management of that company in addition to economic and market factors.

### **Limited Liquidity of the Portfolio Funds and Portfolio Managers**

The Portfolio Funds may impose withdrawal or redemption limitations and transfer restrictions, and the Portfolio Managers may not permit frequent redemptions. The Alpha Funds may not be able to promptly liquidate any or all of their investment in a Portfolio Fund or those made by the Portfolio Managers if the need should arise, and the Alpha Funds' ability to realize gains, or to avoid losses, may therefore be affected.

### **Multiple Levels of Expense**

The Alpha Funds and the Investment Managers have costs, expenses and management fees that are borne directly or indirectly by the Alpha Funds, irrespective of profitability. This will result in greater expense to investors than if the investors had invested directly in the Portfolio Funds or allocated assets directly to the Portfolio Managers.

A Portfolio Fund or Portfolio Manager is usually compensated based on the performance of only the assets it manages for the Alpha Funds. Accordingly, there may often be times when one or more Portfolio Fund or Portfolio Manager receives incentive compensation for a period even though the Alpha Funds' assets, as a whole, depreciated during such period.

### **Illiquidity of Shares**

Because redemption rights are limited and investments in the Alpha Funds are only transferable subject to the discretion of the Board in the case of the Offshore Fund and the discretion of the General Partner in the case of the Onshore Fund, an investment in the Alpha Funds is relatively illiquid. A subscription for shares or limited partnership interests should be considered only by persons who do not anticipate any short-term need for their funds.

### **Limited Availability of Information**

The Portfolio Funds may provide to the Alpha Fund very limited information with respect to their operation and performance, thereby severely limiting the Investment Manager's ability to verify initially or on a continuing basis any representation made by the Portfolio Funds or the investment strategies being employed. This may result in significant losses to the Alpha Funds based on investment strategies and positions employed by the Portfolio Funds or other actions of which the Investment Manager has limited or no knowledge. The lack of access to information may make it more difficult for ARIS to select, allocate among and evaluate the Portfolio Funds and Portfolio Managers and may prevent ARIS from fully appreciating all the risks involved in a particular Portfolio Fund's or Portfolio Manager's strategy.

### **Possibility of Fraud and Other Misconduct**

When the Alpha Funds invest in the Portfolio Funds, the Alpha Funds do not have custody of the assets or control of its investment by the Portfolio Funds. The Portfolio Funds could divert or abscond with the assets, fail to follow agreed upon investment strategies, provide false reports of operations, or engage in other misconduct, resulting in losses to the Fund. Such misconduct is very difficult or impossible to detect and may not come to light until substantial losses have been incurred.

### **The Investment Managers May Benefit from "Soft Dollar" Arrangements**

Although the Investment Managers may endeavor to negotiate rates which are competitive by industry standards, an Investment Manager may select brokers on the basis that they provide brokerage commission rates, research or other services of direct or indirect financial benefit to the Investment Manager, its affiliates, and/or investment accounts under its management. In such event, an Investment Manager may pay a broker, indirectly, a commission for executing a transaction which is in excess of the amount of commission another broker would have charged for effecting that transaction if the Investment Manager determines in good faith that such amount of commission is reasonable in relation to the value of the brokerage, research and other services provided by such broker. These benefits may be available for use by an Investment Manager in connection with transactions in which the Alpha Funds may not necessarily participate.

**Increase in Managed Assets**

The Alpha Funds may invest in Portfolio Funds or allocate assets to Portfolio Managers that are experiencing a significant increase in the assets they manage, which may impair the ability of their strategies and operations to perform up to historical levels. Additionally, Investment Managers faced with a significant increase in assets to invest may divert from stated strategies into strategies or markets with respect to which they may have little or no experience. This could result in serious losses to the Portfolio Funds or to the investments by the Portfolio Managers, and accordingly, to the Alpha Funds.

**Performance-Based Compensation**

The Alpha Funds will generally invest with Investment Managers who are allocated a share of the appreciation in value (including unrealized appreciation) of the assets they manage during a specific measurement period. This arrangement may create an incentive for the Investment Managers to make investments that are riskier or more speculative than would be the case in the absence of performance-based arrangements. The Alpha Funds may be subject to an incentive allocation to certain Investment Managers who make a profit for the Alpha Funds in a particular fiscal year even though the Alpha Funds may in the aggregate incur a net loss for such fiscal year. In addition, in certain cases, Investment Managers may receive a performance allocation based on appreciation during a specific measurement period without taking into account losses occurring in prior measuring periods. If the Alpha Funds withdraw their assets from an entity in which losses in prior measuring periods are accounted for at a time when the Alpha Funds had a loss carryforward, the Alpha Funds will lose the benefit of such loss carryforward.

**Potential Conflicts of Interest**

ARIS is accountable to the Alpha Funds as a fiduciary and, consequently, must exercise good faith and integrity in managing the Alpha Funds' affairs and in resolving questions involving potential and actual conflicts of interest. This duty exists in addition to the various duties of, and limitations on, ARIS set forth in the Alpha Funds' offering materials. ARIS will endeavor to conduct the affairs of the Alpha Funds in a manner fully consistent with its fiduciary obligations, and to ensure that any conflicts of interest are resolved fairly.

Because ARIS and its officers and employees may engage in other securities investment activities and businesses, including the management of trading accounts on their own behalf, conflicts of interest may arise among the Alpha Funds and these persons. ARIS' other clients may compete with the Alpha Fund for the same investment opportunities, which may be limited. ARIS is not obligated by contract to buy, sell or recommend for the Alpha Funds any Portfolio Fund or Portfolio Manager that may be bought, sold or recommended for other clients or for ARIS' own or related persons' account, but ARIS will fairly allocate the investment opportunity or ability to dispose of the investment in the event of an actual conflict.

ARIS may recommend subscription in or withdrawal from Portfolio Funds for such other persons that are different from such decisions made on behalf of the Alpha Funds. In addition, ARIS and its officers will be free to subscribe or withdraw for their own accounts, provided that the management of such accounts does not interfere with the performance of ARIS' obligations and duties to the Alpha Funds. The records of such decisions will not be made available to investors in the Alpha Funds. It is possible that on occasion recommendations for ARIS or its officers or its other clients could be opposite to those made for the Alpha Funds, because ARIS, its officers or its other clients may be utilizing a different investment strategy. Also, interests in Portfolio Funds owned by ARIS or its officers or other clients may be subscribed to or withdrawn at different time intervals than the interests subscribed to by the Alpha Funds due to matters such as capital needs, availability of funds for investment and varying investment objectives.

*Please see the Alpha Funds' offering materials for a comprehensive list of certain risk considerations.*

**Item 9. Disciplinary Information**

ARIS has not been involved in any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of its management.

## Item 10. Other Financial Industry Activities and Affiliations

Effective October 1, 2018, Damien Bissierier became an Advisor of Wealthsimple Financial Corporation (“Wealthsimple”). Mr. Bissierier’s advisory services include participating as a member of Wealthsimple’s Investment Advisory Committee and advising Wealthsimple’s management in strategic areas. As compensation for his advisory services, Mr. Bissierier was granted an option to purchase non-voting common shares of Wealthsimple. In addition, Mr. Bissierier is entitled to reimbursement of reasonable expenses incurred in connection with his performance of advisory services, in accordance with the applicable policies of Wealthsimple.

In December 2019, Tidal ETF Services launched the RPAR Risk Parity ETF (“RPAR”) with ARIS serving as fund sponsor. While ARIS does not manage, advise or sub-advise RPAR, ARIS is the creator of and manages the Advanced Research Risk Parity Index (“RPARTR”) which RPAR seeks to replicate. As such, ARIS is considered an affiliated index provider to RPAR. To mitigate any potential for conflicts as the Index Provider, ARIS has retained a separate, unaffiliated and independent third party, Solactive AG (the “Calculation Agent”). ARIS has no affiliation to RPAR’s Calculation Agent, RPAR’s adviser, RPAR’s sub-adviser, RPAR’s distributor, nor any of their respective affiliates. The Calculation Agent, using the applicable rules-based methodology, calculates, maintains, and disseminates RPARTR on a daily basis. ARIS monitors the results produced by the Calculation Agent to help ensure that RPARTR is being calculated in accordance with the applicable rules-based methodology. In addition, ARIS has established policies and procedures designed to prevent non-public information about pending changes to RPARTR from being used or dissented in an improper manner. Furthermore, ARIS has established policies and procedures designed to prevent improper use and dissemination of non-public information about RPAR’s portfolio strategy.

It is important to note that as the sponsor of RPAR, ARIS receives a portion of the fees collected, and therefore, is incentivized to market RPAR to ARIS Clients and prospective investors. This inherently creates a conflict of interest that both ARIS Clients and prospective investors should carefully consider when deciding whether to invest in RPAR. To the extent that ARIS invests advisory Client assets in RPAR, ARIS or its related persons may charge management fees both at the RPAR level and Client account level; however, we or our related persons may also waive management fees (or certain portions thereof) on Client assets invested in RPAR, credit or rebate a Client account for the fees paid by RPAR to us or our related persons, or otherwise avoid or limit the payment of duplicative fees to us and our related persons.

Effective May 1, 2020, the Firm is wholly owned by Evoke Holdings, LLC (“Evoke”). Evoke serves as the parent company to another SEC-registered investment adviser, Evoke Wealth, LLC. Because both the Firm and Evoke Wealth, LLC are under common control of the same parent company, share employees and other personnel, and share office space, Evoke Wealth, LLC is deemed to be an affiliate of ARIS.

## Item 11. Code of Ethics

ARIS has adopted a code of ethics in compliance with applicable securities laws (“Code of Ethics”) that sets forth the standards of conduct expected of its Supervised Persons. ARIS’s Code of Ethics contains written policies reasonably designed to prevent certain unlawful practices such as the use of material non-public information by the Firm or any of its Supervised Persons and the trading of the same securities ahead of clients in order to take advantage of pending orders.

The Code of Ethics also requires certain of ARIS’s personnel to report their personal securities holdings and transactions and obtain pre-approval of certain investments (e.g., initial public offerings, limited offerings). However, the Firm’s Supervised Persons are permitted to buy or sell securities that it also recommends to clients if done in a fair and equitable manner that is consistent with the Firm’s policies and procedures. This Code of Ethics has been established recognizing that some securities trade in sufficiently broad markets to permit transactions by certain personnel to be completed without any appreciable impact on the markets of such securities. Therefore, under limited circumstances, exceptions may be made to the policies stated below.

When the Firm is engaging in or considering a transaction in any security on behalf of a client, no Supervised Person with access to this information may knowingly effect for themselves or for their immediate family (i.e., spouse, minor children and adults living in the same household) a transaction in that security unless:

- the transaction has been completed;
- the transaction for the Supervised Person is completed as part of a batch trade with clients; or
- a decision has been made not to engage in the transaction for the client.

These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers’ acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds.

Clients and prospective clients may contact ARIS to request a copy of its Code of Ethics.

## Item 12. Brokerage Practices

### Recommendation of Broker/Dealers for Client Transactions

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ARIS will review and recommend financial institutions for custody, brokerage and clearing services. The Firm will review the current relationships clients have in place and make recommendations on whether to keep those relationships or engage a new Financial Institution.

Factors which ARIS considers in recommending a particular Financial Institution to clients include their respective financial strength, reputation, execution, pricing, and service. Financial Institutions may enable the Firm to obtain many mutual funds without transaction charges and other securities at nominal transaction charges. The commissions and/or transaction fees charged by recommended Financial Institutions may be higher or lower than those charged by other Financial Institutions.

The commissions paid by clients to Financial Institutions recommended by the Firm will comply with the Firm's duty to obtain "best execution." Clients may pay commissions that are higher than another qualified Financial Institution might charge to effect the same transaction where ARIS determines that the commissions are reasonable in relation to the value of the brokerage services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a Financial Institution's services, including among others, execution capability, commission rates and responsiveness. ARIS seeks competitive rates but may not necessarily obtain the lowest possible commission rates for client transactions.

ARIS periodically and systematically reviews its policies and procedures regarding its recommendation of Financial Institutions in light of its duty to obtain best execution.

### Software and Support Provided by Financial Institutions

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ARIS may receive without cost from Financial Institutions computer software and related systems support, which allow ARIS to better monitor client accounts maintained at Financial Institutions. ARIS may receive the software and related support without cost because the Firm renders investment management services to clients that maintain assets at the Financial Institutions. The software and related systems support may benefit ARIS, but not its clients directly. In fulfilling its duties to its clients, ARIS endeavors at all times to put the interests of its clients first. Clients should be aware, however, that ARIS's receipt of economic benefits from a broker/dealer creates a conflict of interest since these benefits may influence the Firm's choice of broker/dealer over another that does not furnish similar software, systems support or services.

Specifically, ARIS may receive the following benefits from Financial Institutions:

- Waiving of commissions or other fees charged to clients (which is a client benefit);
- Receipt of duplicate client confirmations and bundled duplicate statements;
- Access to a trading desk that exclusively services its institutional traders;
- Access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and
- Access to an electronic communication network for client order entry and account information.

### **Brokerage for Client Referrals**

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ARIS does not consider, in selecting or recommending broker/dealers, whether the Firm receives client referrals from the Financial Institutions or other third party.

### **Directed Brokerage**

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The client may direct ARIS in writing to use a particular Financial Institution to execute some or all transactions for the client. In that case, the client will negotiate terms and arrangements for the account with that Financial Institution and the Firm will not seek better execution services or prices from other Financial Institutions or be able to “batch” client transactions for execution through other Financial Institutions with orders for other accounts managed by ARIS (as described above). As a result, the client may pay higher commissions or other transaction costs, greater spreads or may receive less favorable net prices, on transactions for the account than would otherwise be the case. Subject to its duty of best execution, ARIS may decline a client’s request to direct brokerage if, in the Firm’s sole discretion, such directed brokerage arrangements would result in additional operational difficulties.

### **Trade Allocation**

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Transactions effected by ARIS are generally effected independently because the Firm primarily allocates assets amongst Independent Managers, mutual funds, ETFs and Index Funds. The Independent Managers may combine or “batch” such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among the Firm’s clients differences in prices and commissions or other transaction costs that might not have been obtained had such orders been placed independently.

In the event that the Firm is purchasing investments in a limited opportunity it will generally prorate the opportunity amongst appropriate clients. If the Firm determines that a prorated allocation is not appropriate under the particular circumstances, the allocation will be made based upon other relevant factors, which

may include: (i) when only a small percentage of an investment is available, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account's assets after an order is placed); (iv) with respect to sale allocations, allocations may be given to accounts low in cash; (v) in cases when a pro rata allocation of a potential execution would result in a de minimis allocation in one or more accounts, the Firm may exclude the account(s) from the allocation; the transactions may be executed on a pro rata basis among the remaining accounts; or (vi) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis.

### **The Alpha Funds**

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Each Investment Manager is responsible for placing orders for the execution of portfolio transactions and the allocation of brokerage. The Alpha Funds and ARIS do not have any discretion or control over the Investment Managers' decisions in choosing brokers. The Investment Managers will also have complete discretion in negotiating rates of brokerage compensation. In addition to using brokers as "agents" and paying commissions, the Investment Managers may buy or sell securities directly from or to a dealer acting as principal at prices that include markups or markdowns.

ARIS generally expects that, in selecting brokers and dealers to effect transactions, an Investment Manager will seek to obtain the best price and execution for the transactions, taking into account factors such as price, size of order, difficulty of execution and operational facilities of a brokerage firm and the firm's risk in positioning a block of securities. However, the Investment Managers may select brokers on a basis other than that outlined above and may receive benefits other than research or that benefit the Investment Manager rather than the applicable Portfolio Fund or the Alpha Funds. ARIS may consider the broker selection process employed by an Investment Manager as a factor in determining whether to invest in a Portfolio Fund or with a Portfolio Manager. ARIS expects that each Investment Manager generally will seek reasonably competitive commission rates, but will not necessarily pay the lowest commission available on each transaction.

Consistent with seeking best price and execution, an Investment Manager may place brokerage orders with brokers (including affiliates of the Investment Manager) that may provide the Investment Manager and its affiliates with supplemental research, market and statistical information, including advice as to the value of securities, the advisability of investing in, purchasing or selling securities, and the availability of securities or purchasers or sellers of securities, and furnishing analyses and reports concerning issuers, industries, securities, economic factors and trends, portfolio strategy and the performance of accounts. The expenses of an Investment Manager are not necessarily reduced as a result of the receipt of this supplemental

information, which may be useful to the Investment Manager or its affiliates in providing services to clients other than a Portfolio Fund or the Alpha Funds. In addition, not all of the supplemental information is used by the Investment Manager in connection with a Portfolio Fund or the Alpha Funds. Conversely, the information provided to the Investment Manager by brokers and dealers through which other clients of the Investment Manager and its affiliates effect securities transactions may be useful to the Investment Manager in providing services to a Portfolio Fund or the Alpha Funds.

An Investment Manager may combine orders on behalf of a Portfolio Fund with orders for other clients of the Investment Manager or in which the Investment Manager has an economic interest. In such cases, ARIS expects that the Investment Manager will use its best efforts to allocate the securities or proceeds arising out of those transactions (and the related transaction expenses) equitably among the various participants.

## Item 13. Review of Accounts

### Account Reviews

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ARIS monitors client portfolios on a continuous and ongoing basis while regular account reviews are conducted on at least a quarterly basis. Such reviews are conducted by the Firm's investment adviser representatives. All investment advisory clients are encouraged to discuss their needs, goals and objectives with ARIS and to keep the Firm informed of any changes thereto. The Firm contacts ongoing investment advisory clients at least annually to review its previous services and/or recommendations and quarterly to discuss the impact resulting from any changes in the client's financial situation and/or investment objectives.

### Account Statements and Reports

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Clients are provided with transaction confirmation notices and regular summary account statements directly from the Financial Institutions where their assets are custodied. From time-to-time or as otherwise requested, clients may also receive written or electronic reports from ARIS and/or an outside service provider, which contain certain account and/or market-related information, such as an inventory of account holdings or account performance. Clients should compare the account statements they receive from their custodian with any documents or reports they receive from ARIS or an outside service provider.

### The Alpha Funds

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The fund administrator for the Alpha Funds delivers a monthly unaudited capital account statement and audited annual financial statements to each investor. Additionally, the Alpha Funds will transmit to each investor unaudited quarterly performance reports. The reports and statements may be made available solely in electronic form on the Alpha Funds' website or the website of the administrator of the Alpha Funds or other third-party provider of such services. ARIS may also send monthly updates and/or quarterly manager commentaries to investors of the Alpha Funds.

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

### **Client Referrals**

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The Firm currently does not provide compensation to any third-party solicitors for client referrals; however, the Firm may elect to do so in the future at which time any such compensation arrangements would be subject to the Cash Solicitation Rule (Rule 206(4)-3) of the Investment Advisers Act, as amended.

## Item 15. Custody

The Advisory Agreement and/or the separate agreement with any Financial Institution may authorize ARIS and/or the Independent Managers to debit client accounts for payment of the Firm's fees and to directly remit those funds to the Firm in accordance with applicable custody rules. The Financial Institutions that act as the qualified custodian for client accounts, from which the Firm retains the authority to directly deduct fees, have agreed to send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to ARIS. In addition, as discussed in Item 13, ARIS may also send periodic supplemental reports to clients. Clients should carefully review the statements sent directly by the Financial Institutions and compare them to those received from ARIS.

### The Alpha Funds

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Under SEC Rule 206(4)-2, ARIS may be viewed for regulatory purposes as having custody of the Alpha Funds' assets due to (i) ARIS' ability to deduct fees directly from certain investor accounts, and/or (ii) ARIS' role as general partner and investment manager. ARIS encourages each client to review the reports the investors receive directly from the Alpha Funds' administrator and to compare the reports to those they receive from ARIS. ARIS notes that when the Alpha Funds invest in the Portfolio Funds, the Alpha Funds do not have custody of the assets or control of their investment by the Portfolio Funds. If you have any questions on the information the administrator or ARIS provides, please contact ARIS.

### Standing Letters of Authorization

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Pursuant to the SEC Division of Investment Management's issuance of a no-action letter (*Investment Adviser Association*, February 21, 2017) that provides clarification regarding whether an investment adviser acting on a standing letter of authorization ("SLOA") has custody under Rule 206(4)-2 of the Investment Advisers Act (the "Custody Rule"), ARIS, in coordination with the qualified custodians of client accounts, has evaluated the custodial arrangements on behalf of its client advisory accounts, and determined that certain of those accounts are deemed to be "third party money movement accounts" and therefore, subject to the Custody Rule. ARIS has further reviewed and determined that each of these accounts satisfy the seven relief conditions outlined by the SEC in its *Investment Adviser Association* no-action letter, and therefore, are not subject to the "independent verification" requirement under the Custody Rule. ARIS will continue to monitor its regulatory obligations under the Custody Rule.

## **Item 16. Investment Discretion**

The Firm is required to disclose if it accepts discretionary authority to manage securities accounts on behalf of clients. ARIS is considered to exercise investment discretion over a client's account if it can effect transactions for the client without first having to seek the client's consent. On behalf of certain client advisory accounts, ARIS currently exercises discretion.

With respect to the Alpha Funds, ARIS will have discretionary authority to manage the portfolios of the Alpha Funds and will exercise investment discretion over the Alpha Funds' investments in Portfolio Funds. ARIS will have discretionary authority to evaluate and select those Investment Managers it believes employ investment strategies in line with the investment objectives of the Alpha Funds. ARIS also has the authority and ability to allocate capital flexibly across investment strategy types and direct investments, Portfolio Funds, and Portfolio Managers based on changes in market conditions. ARIS has wide latitude to act upon any particular strategy or tactic or to change the Alpha Funds' emphasis or objective without obtaining consent from investors.

*Please refer to the offering materials of the Alpha Funds for additional information regarding ARIS' discretionary authority.*

## **Item 17. Voting Client Securities**

### **Declination of Proxy Voting Authority**

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ARIS generally does not accept the authority to vote a client's securities (i.e., proxies) on their behalf. Clients receive proxies directly from the Financial Institutions where their assets are custodied and may contact the Firm at the contact information on the cover of this brochure with questions about any such issuer solicitations.

### **Proxy Policy for the Alpha Funds**

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ARIS will not vote, or give any advice about how to vote, proxies for securities held by the Alpha Funds.

**Item 18. Financial Information**

ARIS is not required to disclose any financial information due to the following:

- The Firm does not require or solicit the prepayment of more than \$1,200 in fees six months or more in advance of services rendered;
- The Firm does not have a financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients; and
- The Firm has not been the subject of a bankruptcy petition at any time during the past ten years