

Item 1 - Cover Page

# Almanack Investment Partners, LLC

**Brochure Dated  
March 31, 2021**

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**This brochure provides information about the qualification and business practices of Almanack Investment Partners, LLC. If you have any questions about the contents of this brochure, please contact us at 484-580-2277 or [jjudge@almanackip.com](mailto:jjudge@almanackip.com). 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.**

**Additional information about Almanack Investment Partners, LLC is also available on the Internet at [www.advisorinfo.sec.gov](http://www.advisorinfo.sec.gov).**

**References herein to Almanack Investment Partners, LLC as a “registered investment adviser” or any reference to being “registered” does not imply a certain level of skill or training.**

**Almanack’s Chief Compliance Officer, James Judge, is available to address any questions that a client or prospective client may have.**

## **Item 2 - Material Changes**

Since the last Annual Amendment on March 31, 2020, material changes to Almanack Investment Partners, LLC Disclosure Brochure are as follows:

Certain Investment Adviser Representatives of Almanack are dually registered as broker dealer representatives of various unaffiliated broker dealers. Item 4- Advisory Business and Item 5- Fees and Compensation have been updated accordingly.

Certain Investment Adviser Representatives of Almanack may be engaged with, and receive compensation from, unaffiliated third-party private funds. This potential conflict of interest is addressed in more detail under Item 10- Other Financial Industry Activities and Affiliations.

Almanack has entered into a mutual agreement with several independent Investment Advisor Representatives. Please refer to Item 10 for industry affiliations.

Almanack will ensure that you receive a summary of any material changes to this and future brochures within 120 days of the close of our business' fiscal year at no charge.

**ANY QUESTIONS: Almanack Investment Partners' Chief Compliance Officer, James Judge, remains available to address any questions that an existing or prospective client may have regarding this Brochure.**

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## **Item 4 - Advisory Business**

### **A. GENERAL DESCRIPTION**

Almanack Investment Partners, LLC ("Almanack" or "Advisor") is a limited liability company formed on September 14, 2015 in the State of Delaware. Almanack is principally owned by Kevin Harper and James Judge.

The Advisor's core business is to offer investment management services to individual and institutional clients using model asset allocation portfolios. Each model portfolio is designed to meet a particular investment goal (the "Core Allocation"). Almanack offers its services through a number of independently owned offices located across the United States.

As discussed below, Almanack offers to its clients (individuals, high net worth individuals, state or municipal entities, trusts, estates and charitable organizations, etc.) investment advisory services, and, to the extent specifically requested by a client, financial planning and related consulting services. In addition, Almanack also provides services to other investment advisers in the form of sub-advisory and consulting.

Almanack manages advisory accounts on a discretionary or non-discretionary basis through relationships with Charles Schwab & Company, Inc. ("*Schwab*"), TD Ameritrade ("*Ameritrade*"), and Fidelity Investments ("*Fidelity*"). Almanack's annual investment advisory fee may be either fixed or based upon a percentage (%) of the market value of the assets placed under Almanack's management. Depending on which custodian the client selects or is offered, the strategy received by the client may differ.

Through personal discussions with the client in which the client's goals and objectives are established, Almanack determines which model portfolio is best suited to the client's individual needs and objectives. The Advisor's Core Allocation starts by forming a fundamental understanding of the primary drivers of potential portfolio exposures and emphasizes the development of methods for combining these exposures (often index based) into a diversified risk conscious portfolio.

Once Almanack determines the suitability of the portfolio, the portfolio is managed based on the portfolio's goal, rather than on each client's individual needs. Clients, nevertheless, have the opportunity to place reasonable restrictions on the types of investments to be held in their account. Clients retain individual ownership of all securities.

Because some types of investments involve certain additional degrees of risk, they will only be implemented/recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity needs and overall suitability.

To ensure that Almanack's initial determination of an appropriate portfolio remains suitable and that the account continues to be managed in a manner consistent with the client's financial circumstances, Almanack will:

1. At least annually, contact each participating client to determine whether there have been any changes in the client's financial situation or investment objectives, and whether the client wishes to impose investment restrictions or modify existing restrictions;
2. Be reasonably available to consult with the client; and
3. Maintain client suitability information in each client's file.

In addition, Almanack provides an internal platform for Almanack investment adviser representatives (“IARs”) to access investment management, business consulting and operational support services. These IARs share resources, ideas and other best practices within the platform and deliver investment advice, insurance solutions and other financial services to their own individual and institutional clients in the investment advisor community. In addition to the services described above, Almanack also offers Investment Management Services as described below at Item 4.B. including consulting services. Each business is described in more detail below.

## **B. INVESTMENT MANAGEMENT SERVICES**

Almanack may be engaged to provide discretionary or non-discretionary investment advisory services on a *fee* basis. Almanack’s investment advisory fee is based upon a percentage (%) of the market value of the assets placed under Almanack’s management and generally ranges from .25% to 2.0% annually.

Almanack’s annual investment advisory fee shall include investment advisory services, and, to the extent specifically requested by the client, financial planning and consulting services.

Almanack supports its own investment management platform (the "Platform") that is available to the IARs of Almanack. Before engaging Almanack to provide investment advisory services, clients are required to enter into an Investment Management Agreement (“IMA”) with Almanack setting forth the terms and conditions of the engagement (including termination, describing the scope of the services to be provided, and the fee that is due from the client).

To commence the investment advisory process, an IAR will first ascertain each client’s investment objectives and then allocate and/or recommend that the client allocate investment assets consistent with their designated investment objectives. Once client assets are allocated, Almanack provides ongoing monitoring and review of account performance and asset allocation as compared to client investment objectives and will rebalance or recommend rebalancing the account based on such reviews.

Almanack shall have discretionary authority to engage unaffiliated investment managers and serve as an overlay portfolio manager to construct, allocate and reallocate investment portfolios for clients of Almanack IARs. Almanack also provides the following services, either directly or through contractual relationships with third parties, with respect to the Platform:

- Investment model administration and Manager facilitation services
- Advisor as Portfolio Manager ("APM") functionality, account administration, billing and reconciliation, account aggregation, reconciliation and reporting, and client account reporting
- Business management reporting technology services

### **Investment Services**

The Advisor offers compliance, operational and back office support to its IARs through third party service providers. These services are typically funded through the fees charged by the IAR to its clients. As part of these services to the investment advisor, Almanack provides the IARs with access to a range of investment advisory services for use by advisors with their clients, including Separately Managed Accounts ("SMA"), Mutual Funds and Exchange Traded Funds ("ETF") Asset Allocation Strategies and Unified Managed Accounts ("UMA") (each an "Investment Program" and collectively, the "Investment Programs"). The Investment Programs are generally made available by Almanack to their IARs, who may recommend one or more Investment Programs to their clients. A client's investment adviser determines which services and Investment Programs of Almanack to use with its clients and may use the services of other third-party service providers in conjunction with the Investment Programs.

## **FINANCIAL PLANNING AND CONSULTING SERVICES (STAND-ALONE)**

### **Consulting Services**

Almanack offers a range of consulting services including allocation research, risk analysis, benchmarking and manager assessment. These services are provided pursuant to specialized engagements individually negotiated with Almanack's clients based upon their specific needs and objectives.

In performing its services, Almanack is not required to verify any information received from the client or from the client's other professionals (e.g., attorney, accountant, etc.) and is authorized to rely on such information. Almanack may recommend the services of itself, and/or other professionals to implement its recommendations. Clients are advised that a conflict of interest exists if Almanack recommends its own services or the services of any of its Advisory Affiliates (as set forth in Item 10). The client is under no obligation to act upon any of the recommendations made by Almanack under a consulting engagement or to engage the services of any such recommended professional, including Almanack itself. The client retains discretion over all such implementation decisions and is free to accept or reject any of Almanack's recommendations. Clients are advised that it remains their responsibility to promptly notify Almanack if there is ever any change in their financial situation or investment objectives for the purpose of reviewing, evaluating, or revising Almanack's previous recommendations and/or services.

### **Financial Planning**

To the extent specifically requested by a client, Almanack may provide financial planning and/or consulting services (including investment and non-investment related matters, including estate planning, insurance planning, etc.) on a stand-alone separate fee basis. Almanack's planning and consulting fees are charged either at an hourly rate or up to 1% of the client's total net worth, subject to a minimum of \$5,000; however, discounted rates can and may be offered. The fees charged are dependent upon the level and scope of the service(s) required and the professional(s) rendering the service(s). Prior to engaging Almanack to provide planning or consulting services, clients are generally required to enter into a Financial Planning and Consulting Agreement with Almanack setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the portion of the fee that is due from the client prior to Almanack commencing services.

If requested by the client, Almanack will recommend the services of other professionals for implementation purposes, including Almanack's representatives in their individual capacities as registered representatives of a broker-dealer, or licensed insurance agents. (*See* disclosure at Item 10.C.). The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from Almanack. Please Note: If the client engages any such recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional. It remains the client's responsibility to promptly notify Almanack if there is ever any change in their financial situation or investment objectives for the purpose of reviewing, evaluating or revising Almanack's previous recommendations and/or services.

Financial planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. Through the financial planning process, all questions, information and analysis are considered as they impact, and are impacted by, the entire financial and life situation of the client. Clients purchasing this service either receive a written report or access to software which provides the client with a detailed financial plan designed to assist

the client in achieving his or her financial goals and objectives. In general, the financial plan can address any or all of the following areas:

- **PERSONAL:** Almanack reviews family records, budgeting, personal liability, estate information and financial goals.
- **TAX & CASH FLOW:** Almanack analyzes the client's income tax and spending and planning for past, current and future years; then illustrates the impact of various investments on the client's current income tax and future tax liability.
- **INVESTMENTS:** Almanack analyzes investment alternatives and their effect on the client's portfolio.
- **INSURANCE:** Almanack reviews existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home and automobile.
- **RETIREMENT:** Almanack analyzes current strategies and investment plans to help the client achieve his or her retirement goals.
- **DEATH & DISABILITY:** Almanack reviews the client's cash needs at death, income needs of surviving dependents, estate planning and disability income.
- **ESTATE:** Almanack assists the client in assessing and developing long-term strategies, including as appropriate, living trusts, wills, review estate tax, powers of attorney, asset protection plans, nursing homes, Medicaid and elder law. Almanack gathers required information through in-depth personal interviews. Information gathered includes the client's current financial status, tax status, future goals, returns objectives and attitudes towards risk. Almanack carefully reviews documents supplied by the client, including a questionnaire completed by the client, and prepares a written report. Should the client choose to implement the recommendations contained in the plan, Almanack suggests the client work closely with his/her attorney, accountant, insurance agent, and/or investment adviser. Implementation of financial plan recommendations is entirely at the client's discretion.

Almanack also provides general non-securities advice on topics that may include tax and budgetary planning, estate planning and business planning. Investment recommendations in financial plans may include any or all of the following:

- Exchange-listed securities
- Securities traded over-the-counter
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Certificates of deposit
- Municipal securities
- Variable life insurance
- Variable annuities
- Mutual fund share
- United States governmental securities
- Options contracts on securities
- Interests in partnerships investing in real estate
- Interests in partnerships investing in oil and gas interests
- Any investments held by the client at the inception of the advisory relationship

Typically, the financial plan is presented to the client within six months of the contract date, provided that all information needed to prepare the financial plan has been promptly provided. Financial Planning recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company. All recommendations are of a generic nature and should be reviewed with your attorney, accountant or other professional as appropriate prior to implementation.

## MISCELLANEOUS

**Limitations of Financial Planning and Non-Investment Consulting/Implementation Services:** As indicated above, to the extent requested by the client, Almanack may provide financial planning and related consulting services regarding non-investment related matters, such as estate planning, tax planning, insurance, etc. Almanack is not a law firm or accounting firm, and no portion of its services should be construed as legal, tax or accounting advice. Accordingly, Almanack does not prepare estate planning documents or tax returns. To the extent requested by a client, Almanack may recommend the services of other professionals for certain non-investment implementation purposes (i.e. attorneys, accountants, insurance agents, etc.), including representatives of Almanack in their separate individual capacities as registered representatives of Innovation Partners, LLC (“Innovation Partners”), Coastal Equities, Inc. (“Coastal”) or Private Client Services, LLC (“Private Client Services”) (individually and/or collectively, “Third Party BD”), each an SEC registered or FINRA member broker-dealer and/or as insurance agents. The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from Almanack and/or its representatives (See Item 10 below). Please Note: If the client engages any recommended unaffiliated professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional. The recommendation by Almanack’s representative that a client purchase a security or insurance commission product through Almanack’s representative in his/her separate and individual capacity as a registered representative of a Third Party BD, and/or as an insurance agent, presents a conflict of interest, as the receipt of commissions provides an incentive to recommend investment or insurance products based on commissions to be received, rather than on a particular client’s need. No client is under any obligation to purchase any securities or insurance commission products through such representative. Clients are reminded that they may purchase securities or insurance products recommended by Almanack through other, non-affiliated broker-dealers or insurance agencies.

**Retirement Rollovers-Potential for Conflict of Interest:** A client or prospective client leaving an employer typically has four options regarding an existing retirement plan (and may engage in one or a combination of these options): (i) leave the money in the former employer’s plan, if permitted, (ii) roll over the assets to the new employer’s plan, if one is available and rollovers are permitted, (iii) roll over to an Individual Retirement Account (“IRA”), or (iv) cash out the account value (which would, depending upon the client’s age, result in adverse tax consequences). If Almanack recommends that a client roll over their retirement plan assets into an account to be managed by Almanack, such a recommendation creates a conflict of interest as Almanack will earn new (or increase its current) compensation as a result of the rollover. No client is under any obligation to roll over retirement plan assets to an account managed by Almanack.

### **Unaffiliated Private Funds**

Almanack may also provide investment advice regarding unaffiliated private investment funds. Almanack, on a non-discretionary basis, may recommend that certain qualified clients consider an investment in unaffiliated private investment funds. Almanack’s role relative to the private investment funds shall be limited to its initial and ongoing due diligence and investment monitoring services. If a client determines to become a private fund investor, the amount of assets invested in the fund(s) shall be included as part of “assets under management” for purposes of Almanack calculating its investment

advisory fee. Almanack's clients are under absolutely no obligation to consider or make an investment in a private investment fund(s).

### **Affiliated Private Fund**

Almanack is the investment adviser to Almanack Alpha Fund LP ("AAFLP" or the "Fund") which is an unregistered investment company organized as a limited liability corporation and sponsored by Almanack. Almanack also serves as a General Partner to AAFLP.

As noted above, Almanack is affiliated with AAFLP, the complete description of which (the terms, conditions, risks, conflicts and fees, including incentive compensation) is set forth in the Fund's offering documents. Almanack, on a non-discretionary basis, may recommend that qualified clients consider allocating a portion of their investment assets to the Fund. The terms and conditions for participation in the affiliated fund, including management and incentive fees, conflicts of interest, and risk factors, are set forth in the fund's offering documents. Almanack's clients are under absolutely no obligation to consider or make an investment in AAFLP.

The investment objective of the Fund is to invest in other funds which seek to achieve above-average capital appreciation, lack of correlation to traditional markets, and low volatility returns for its clients by investing in a broadly diversified portfolio of alternative investment opportunities. While there are no substantive limits on the investment strategies that may be pursued by the Fund, it is anticipated that the Fund will seek to leverage the Advisor's expertise to identify, invest, and manage a select suite of investment opportunities. The Fund will utilize the Advisor's relationships, contacts and knowledge for the benefit of the strategy. It seeks to provide consistent long-term returns. Income is not an objective.

In providing advisory services to the Fund, Almanack directs and manages the investment and reinvestment of the Fund's assets and provides reports to investors (through the Funds' administrator). Almanack manages the assets of the Fund in accordance with the terms of its governing documents. AAFLP is a Fund of Hedge Funds.

Private investment funds generally involve various risk factors, including, but not limited to, potential for complete loss of principal, liquidity constraints and lack of transparency, a complete discussion of which is set forth in the Fund's offering documents, which will be provided to each client for review and consideration. Unlike other liquid investments that a client may maintain, private investment funds do not provide daily liquidity or pricing. Each prospective client that elects to invest in the Fund will be required to complete a Subscription Agreement, pursuant to which the client shall establish that the client is qualified to invest in the Fund and acknowledges and accepts the various risk factors that are associated with such an investment.

In the event that Almanack references private investment funds owned by the client on any supplemental account reports prepared by Almanack, the value(s) for all private investment funds owned by the client shall reflect the most recent valuation provided by the fund sponsor. If the fund sponsor does not provide a post-purchase valuation, then the valuation shall reflect the initial purchase price (and/or a value as of a previous date) or the current value(s) (either the initial purchase price and/or the most recent valuation provided by the fund sponsor). If the valuation reflects the initial purchase price (and/or a value as of a previous date), then the current value(s) (to the extent ascertainable) could be significantly more or less than the original purchase price. The client's advisory fee shall be based upon such reflected fund value(s).

The affiliated Fund generally invests in unaffiliated private investment funds. As such, a client will incur separate management fees: (1) the fee charge by the underlying unaffiliated private investment funds; (2) the advisory fee charged by Almanack (the amount invested in the affiliated funds will be

included as part of the client's assets under management (see Item 5 below) for purposes of calculating Almanack's fee; and (3) the management fee charged by AAFLP itself.

Because the Advisor earns compensation from the AAFLP, Almanack's advisory fee may, in the aggregate, exceed the fee that it would earn under its standard "assets under management" fee schedule referenced in Item 5A below absent a client's investment in AAFLP. The recommendation that a client become an investor in AAFLP presents a conflict of interest but clients are under no obligation to become an investor in any Almanack-sponsored fund.

**Use of Mutual and Exchange Traded Funds:** Most mutual funds and exchange traded funds are available directly to the public. Thus, a prospective client may obtain many, if not all, of the funds(securities) utilized by Almanack in managing client assets independent of engaging Almanack as an investment advisor. However, if a prospective client determines to do so, he/she will not receive Almanack's initial and ongoing investment advisory services. In addition to Almanack's investment advisory fee described below, and transaction and/or custodial fees discussed below, clients will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g. management fees and other fund expenses).

**Cash Positions:** At any specific point in time, depending upon perceived or anticipated market conditions/events (there being no guarantee that such anticipated market conditions/events will occur), Almanack may increase or maintain higher cash positions. Absent a specific written agreement to the contrary, cash positions (i.e. cash, money markets, etc.) are generally included as part of assets under management for purposes of calculating Almanack's advisory fee.

**Portfolio Activity:** Almanack has a fiduciary duty to provide services consistent with the client's best interest. As part of its investment advisory services, Almanack will review client portfolios on an ongoing basis to determine if any changes are necessary based upon various factors, including, but not limited to, investment performance, fund manager tenure, style drift, account additions/withdrawals, and/or a change in the client's investment objective. Based upon these factors, there may be extended periods of time when Almanack determines that changes to a client's portfolio are neither necessary nor prudent. There can be no assurance that investment decisions made by Almanack will be profitable or result in any specific performance level(s). Clients pay Almanack advisory fees regardless of whether or not their account increases or decreases in value.

**Fee Differentials:** As discussed above and indicated below at Item 5, Almanack shall generally price our advisory services based upon various objective and subjective factors. As a result, our clients could pay diverse fees based upon the market value of their assets, the complexity of the engagement, and the level and scope of the overall investment advisory services to be rendered, and client negotiations. As a result of these factors, similarly situated clients could pay different fees, and the services provided by Almanack to any particular client could be available from other advisers at lower, or greater, cost. Before engaging Almanack to provide investment advisory services, clients are required to enter into a discretionary or non-discretionary IMA, setting forth the terms and conditions of the engagement (including termination), which includes the fees and services to be provided.

**Non-Discretionary Accounts Service Limitations:** Clients that engage Almanack on a non-discretionary basis acknowledge that Almanack cannot effect any account transactions without first obtaining consent to such transaction(s) from the client directly. In the event Almanack would like to make a transaction for a client's account (including in the event of an individual holding or general market correction), and the client is unavailable, Almanack would be unable to effect the account transaction(s) (as it would for its discretionary clients) without first obtaining the client's consent. As a result, recommended trades for non-discretionary accounts will be delayed and, in some cases, may not be executed at all.

**Independent Managers:** Almanack may allocate (and/or recommend that the client allocate) a portion of a client's investment assets among unaffiliated independent investment managers ("Independent Manager(s)") in accordance with the client's designated investment objective(s). In such situations, the Independent Manager(s) will have day-to-day responsibility for the active discretionary management of

the allocated assets. Almanack will continue to render investment supervisory services to the client relative to the ongoing monitoring and review of account performance, asset allocation and client investment objectives. The factors Almanack considers in recommending Independent Manager(s) include the client's designated investment objective(s), management style, performance, reputation, financial strength, reporting, pricing, and research.

The investment management fee charged by the Independent Manager(s) is separate from, and in addition to, Almanack's advisory fee as set forth in the fee schedule at Item 5 below and which will be disclosed to the client before entering into the Independent Manager engagement and/or subject to the terms and conditions of a separate agreement between the client and the Independent Manager(s).

#### Sub-Advisory Engagements.

Almanack may also serve as a sub-adviser to unaffiliated registered investment advisers per the terms and conditions of a written Sub-Advisory Agreement. With respect to its sub-advisory services, the unaffiliated investment advisers that engage Almanack's sub-advisory services maintain both the initial and ongoing day-to-day relationship with the underlying client, including initial and ongoing determination of client suitability for Almanack's designated investment strategies and or programs. If the custodian/broker-dealer is determined by the unaffiliated investment adviser, Almanack will be unable to negotiate commissions and/or transaction costs, and/or seek better execution. As a result, client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case through alternative clearing arrangements recommended by Almanack. Higher transaction costs adversely impact account performance.

Inverse/Enhanced Market Strategies: Almanack may utilize long and short mutual funds and/or exchange traded funds that are designed to perform in either an: (1) inverse relationship to certain market indices (at a rate of 1 or more times the inverse [opposite] result of the corresponding index) as an investment strategy and/or for the purpose of hedging against downside market risk; and (2) enhanced relationship to certain market indices (at a rate of 1 or more times the actual result of the corresponding index) as an investment strategy and/or for the purpose of increasing gains in an advancing market. There can be no assurance that any such strategy will prove profitable or successful. Furthermore, Almanack may hold these positions for longer than the one day that many fund prospectuses suggest, which may lead to additional risks. For periods longer than a single day, these funds will lose money when the level of the underlying indices are flat, and it is possible that the funds will lose money even if the level of the indices either increase or decrease (if inverse). Longer holding periods, higher index volatility, inverse exposure, and levered exposure each exacerbate the impact of compounding on an investor's returns. During periods of high index volatility, the volatility of the indices may affect the returns of the funds as much as, or more, than the return of the indices. In light of these enhanced risks/rewards, a client may direct Almanack, in writing, not to employ any or all such strategies for his/her/their/its accounts.

Schwab Institutional Intelligent Portfolios: Almanack offers an automated investment program (the "Program") through which clients are invested in a range of investment strategies that it has constructed and managed, each consisting of a portfolio of exchange-traded funds ("Funds") and a cash allocation. The client may instruct Almanack to exclude up to three Funds from their portfolio. The client's portfolio is held in a brokerage account opened by the client at Schwab. Almanack uses the Institutional Intelligent Portfolios® platform ("Platform"), offered by Schwab Performance Technologies ("SPT"), a software provider to independent investment advisors and an affiliate of Schwab, to operate the Program. Almanack is independent of, and not owned by, affiliated with, or sponsored or supervised by SPT, Schwab, or their affiliates (together, "Schwab"). Almanack, and not Schwab, is the client's investment advisor and primary point of contact with respect to the Program. Almanack is solely responsible, and Schwab is not responsible, for determining the appropriateness of the Program for the client, choosing a suitable investment strategy and portfolio for the client's investment needs and goals, and managing that portfolio on an ongoing basis. Almanack has contracted with SPT to provide it with the Platform, which

consists of technology and related trading and account management services for the Program. The Platform enables us to make the Program available to clients online and includes a system that automates certain key parts of our investment process (the "System"). Based on information the client provides to Almanack, it will recommend a portfolio via the System. The client may then indicate an interest in a portfolio that is one level less or more conservative or aggressive than the recommended portfolio, but Almanack then makes the final decision and selects a portfolio based on all the information it has about the client. The System also includes an automated investment engine through which we manage the client's portfolio on an ongoing basis through automatic rebalancing and tax-loss harvesting (if the client is eligible and elects).

Almanack charges clients a fee for our services as described below under *Item 5 Fees and Compensation*. Our fees are not set or supervised by Schwab. Clients do not pay brokerage commissions or any other fees to Schwab as part of the Program. Schwab does receive other revenues, including (i) the profit earned by Charles Schwab Bank, a Schwab affiliate, on the allocation to the Schwab Intelligent Portfolios Sweep Program described in the Schwab Intelligent Portfolios Sweep Program Disclosure Statement; (ii) investment advisory and/or administrative service fees (or unitary fees received by Charles Schwab Investment Management, Inc., a Schwab affiliate, from Schwab ETFs™ Schwab Funds® and Laudus Funds® that we select to buy and hold in the client's brokerage account; (iii) fees received by Schwab from third-party ETFs that participate in the Schwab ETF OneSource™ program and mutual funds in the Schwab Mutual Fund Marketplace® (including certain Schwab Funds and Laudus Funds) in the client's brokerage account for services Schwab provides; and (iv) remuneration Schwab may receive from the market centers where it routes ETF trade orders for execution.

Almanack will not pay SPT fees for the Platform so long as we maintain \$100 million in client assets in accounts at Schwab that are not enrolled in the Program. If we do not meet this condition, then we pay SPT an annual licensing fee of 0.10% (10 basis points) on the value of our clients' assets in the Program.

This fee arrangement gives us an incentive to recommend or require that our clients with accounts not enrolled in the Program be maintained with Schwab. This arrangement presents a conflict of interest, as it provides an incentive for Almanack to recommend that clients maintain their accounts at CS&Co. Notwithstanding, Almanack may generally recommend to its clients that investment management accounts be maintained at CS&Co based on the considerations discussed in Item 12 below, which mitigates this conflict of interest. **Our Chief Compliance Officer remains available to address any questions that a client or prospective client may have regarding the above conflict of interest.**

Clients enrolled in the Program are limited in the universe of investment options available to them. As a result, clients in the Program generally pay a lesser advisory fee. Almanack's fee may be higher (or lower) than those charged by other investment advisers offering similar services.

#### Rebalancing

The System will rebalance a client's account periodically by generating instructions to CS&Co to buy and sell shares of ETFs and depositing or withdrawing funds through the "Sweep Program", considering the asset allocation for the client's investment strategy. Rebalancing trade instructions can be generated by the System when (i) the percentage allocation of an ETF varies by a set parameter established by Almanack (ii) Almanack decides to change the ETFs or their percentage allocations for an investment strategy or (iii) Almanack decides to change a client's investment strategy, which could occur, for example, when a client makes changes to their investment profile or imposes or modifies restrictions on the management of their account. Accounts below \$5,000 may deviate farther than the set parameters as well as the target allocation of the selected investment profile. Rebalancing below \$5,000 may impact the ability to maintain positions in selected asset classes due to the inability to buy or sell at least one share of an ETF. For example, withdrawal requests may require entire asset classes to be liquidated to generate and disburse the requested cash.

#### Sweep Program

Each investment strategy involves a cash allocation ("Cash Allocation") that will be held in a sweep program at Charles Schwab Bank (the "Sweep Program"). The Cash Allocation will be a minimum of 4% of an account's value to be held in cash, and may be higher, depending on the investment strategy chosen for a client. The Cash Allocation will be accomplished through enrollment in the Sweep Program, a program sponsored by CS&Co. By enrolling in the Program clients consent to having the free credit balances in their brokerage accounts at CS&Co swept into deposit accounts ("Deposit Accounts") at Charles Schwab Bank ("Schwab Bank") through the Sweep Program. Schwab Bank is an FDIC-insured depository institution that is a Schwab affiliate. The Sweep Program is a required feature of the Program. If the Deposit Account balances exceed the Cash Allocation for a client's investment strategy, the excess over the rebalancing parameter will be used to purchase securities as part of rebalancing. If clients request cash withdrawals from their accounts, this likely will require the sale of ETF positions in their accounts to bring their Cash Allocation in line with the target allocation for their chosen investment strategy. If those clients have taxable accounts, those sales will generate capital gains (or losses) for tax purposes. In accordance with an agreement with CS&Co, Schwab Bank has agreed to pay an interest rate to depositors participating in the Sweep Program that will be determined by reference to an index.

Almanack primarily offers this as a solution for smaller managed accounts.

## Use of Affiliated Funds and Two Levels of Fees

### Affiliated Adviser and Exchange Traded Funds

Almanack's related adviser, Gadsden LLC, ("Gadsden") is the investment manager to an exchange-traded fund ("Affiliated Fund") known as the Gadsden Dynamic Multi-Asset ETF (NYSE Arca: GDMA). The Affiliated Fund is managed by a principal(s) of Almanack and is used to construct many of Almanack's model portfolios (and the Advisor accounts of clients following each model), subject to the quantitative and qualitative investment selection and evaluation criteria described in Item 8 below.

The allocation of an Affiliated Fund investment included in the Advisor account will vary depending on the model portfolio selected by the client. Given the discretionary nature of the models, at a future date, the allocation of an Affiliated Fund investment in accounts will fluctuate higher or lower in a portfolio without notice to the client.

An investment proposal which you receive at the time of account investment sets forth the initial anticipated asset allocation and lists the corresponding specific investments, including the Affiliated Fund, to be used in the management of your account. Please note that both the allocation and the specific investments used for your account are subject to change. You should refer to your account statements and account information on the custodian statements, which show the composition of your account holdings and specific percentage allocation to each investment in your account, including the Affiliated Fund.

Almanack and its affiliate have a conflict of interest in selecting the Affiliated Fund for client portfolios because Almanack's affiliate earns compensation for advisory services provided to the Affiliated Fund. This compensation is in addition to the asset-based fee that you pay to Almanack resulting in the receipt of "two levels of fees." Almanack addresses the conflict associated with investing accounts in the Affiliated Fund in multiple ways, including disclosing the conflict of interest in this Disclosure Brochure and providing you with detailed information about your account's allocation to individual positions.. These additional fees may be significant, both in absolute dollar amounts and relative to Almanack's net income, and the receipt and retention by Almanack and its affiliate of these fees create an incentive for Almanack to select and continue to retain an Affiliated Fund over unaffiliated funds. A more detailed discussion on the additional fees that Almanack and its affiliates receive from the use of an Affiliated Fund in accounts and the ways we address this conflict of interest appear in this Item 4 and in Item 8 below. You should consider this additional Fund-related compensation when evaluating the amount and appropriateness of the fees we earn in connection with your account.

As described above under "*Use of Affiliated Funds and Two Levels of Fees*" in this Item 4, Almanack's affiliate receives compensation for advisory services it provides to an Affiliated Fund. Such fund-related compensation will be in addition to the account Fee and presents a conflict of interest. You should consider this additional fund-related compensation when evaluating the amount and appropriateness of the fees we earn in connection with your account.

**Client Obligations:** In performing its services, Almanack shall not be required to verify any information received from the client or from the client's other professionals and is expressly authorized to rely thereon. Moreover, each client is advised that it remains their responsibility to promptly notify Almanack if there is ever any change in their financial situation or investment objectives for the purpose of reviewing, evaluating or revising Almanack's previous recommendations and/or services.

**Disclosure Statement:** A copy of Almanack's written disclosure statement as set forth on Part 2 of Form ADV shall be provided to each client prior to, or contemporaneously with, the execution of the *Investment Management Agreement* or *Financial Planning and Consulting Agreement*.

C. Almanack shall provide investment advisory services specific to the needs of each client. Prior to providing investment advisory services, an investment adviser representative will ascertain each

client's investment objective(s). Thereafter, Almanack shall allocate and/or recommend that the client allocate investment assets consistent with the designated investment objective(s). The client may, at any time, impose reasonable restrictions, in writing, on Almanack's services.

- D. Almanack does not participate in any wrap fee programs.
- E. As of December 31, 2020, Almanack had approximately \$1,515,132,090 in regulatory assets under management, of which \$ 1,339,949,312 was managed on a discretionary basis and \$ 175,182,778 on a non- discretionary basis. In addition, Almanack also provides investment consulting services largely to institutional and ultra-high net worth individuals, with assets under advisement through these arrangements totaling approximately \$4,000,000,000.

## **Item 5 - Fees and Compensation**

### **A. INVESTMENT ADVISORY SERVICES**

Our annual fees for Investment Advisory Services are based upon a percentage of assets under management and generally range from 0.25% to 2.0%. Please see each individual advisor for their specific fee schedule.

A minimum of \$100,000 of assets under management is typically required for this service. Minimum account size may be waived by Almanack at its discretion. Almanack does not currently require a minimum asset management fee.

Fee Differentials/Conflict of Interest: Almanack shall receive an investment advisory fee based upon a percentage (%) of the market value of the assets placed under management (between 0.25% and 2.00%). However, fees shall vary depending upon the complexity of the client relationship and the portfolio. Moreover, the services to be provided by Almanack to any particular client could be available from other advisers at lower fees. All clients and prospective clients should be guided accordingly. Since an Almanack representative receives a portion of the advisory fee charged to the client, a material conflict of interest exists because an increase in the management fee paid by the client will result directly in increased compensation received by Almanack's representative.

Limited Negotiability of Advisory Fees: Although Almanack has established the aforementioned fee ranges(s), Almanack retains the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs are considered in determining the appropriate fee schedule. Factors include the complexity of the client, volume and type of assets to be placed under management, anticipated future additional assets; related accounts; portfolio style, account composition and reporting requirement, among other factors. The specific annual fee schedule is outlined in the IMA between the adviser and each client.

### **CONSULTING**

Almanack provides investment consulting services for a fixed fee. These fees are negotiable, but generally range from \$20,000 to \$250,000, depending on the level and scope of the services provided and the resources engaged. Fees vary based on the services provided and are outlined pursuant to a Consulting Agreement executed by the client.

### **FINANCIAL PLANNING**

To the extent specifically requested by a client, Almanack may provide financial planning and/or consulting services (including investment and non-investment related matters, including estate planning, insurance planning, etc.) on a stand-alone separate fee basis. Almanack's planning and consulting fees are outlined in a separate financial planning agreement between the client and Almanack's advisor's directly.

### **GENERAL**

Mutual Fund and ETF Fees: All fees paid to Almanack for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders. These

fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

**B.** Clients generally elect to have Almanack's advisory fees deducted from their custodial account. Both Almanack's IMA and the custodial/clearing agreement authorize the custodian to debit the account for the amount of Almanack's investment advisory fee and to directly remit that management fee to Almanack in compliance with regulatory procedures. In the limited event that Almanack bills the client directly, payment is due upon receipt of Almanack's invoice.

**C.** As discussed below, unless the client directs otherwise or an individual client's circumstances require, Almanack shall generally recommend that *Schwab*, *Fidelity* or *Ameritrade* serve as the broker-dealer/custodian for client investment management assets. Broker-dealers such as *Schwab*, *Fidelity* or *Ameritrade* charge transaction fees for effecting certain securities transactions).

In addition to Almanack's investment management fee and transaction fees, clients will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g. management fees and other fund expenses).

**Tradeaway/Prime Broker Fees.** Relative to its discretionary investment management services, when beneficial to the client, individual equity and/or fixed income transactions may be effected through broker-dealers other than the account custodian, in which event, the client generally will incur either or both of two possible charges; (1) the fee (commission, mark-up/mark-down) charged by the executing broker-dealer, and (2) a separate trade-away and/or prime broker fee charged by the account custodian

**Asset-Based Fees versus Transaction-Based Fees:** Custodians such as Charles Schwab & Company, Inc. ("Schwab") are compensated for their services which include, but are not limited to execution, custody and reporting. Custodians can charge a fixed percentage fee for their services based upon the dollar amount of the assets placed in their custody and/or on their platform. This is referred to as an "Asset-Based Fee." In the alternative, rather than a fixed percentage fee based upon the market value of the assets in its custody, the custodian could charge a separate fee for the execution of each transaction. This is referred to as a "Transaction Based Fee." Under a Transaction Based fee, the amount of total fees charged to the client account for trade execution will vary depending upon the number of transactions that are placed for the account. For those clients who elect to engage a custodian on an Asset Based Fee basis, Almanack will periodically conduct a review to determine if Asset Based pricing continues to be beneficial for these clients. Prior to engaging a custodian, regardless of pricing (Asset-Based versus Transaction-Based), the client will be required to execute a separate agreement with the custodian agreeing to such pricing/fees.

**Margin Accounts:** Almanack may trade client accounts on margin if granted authorization. A margin account may incur margin interest which will be charged in addition to Almanack's advisory fee. Almanack's advisory fee will be based on total assets under management, inclusive of any margin balance held in a client's account. This creates a potential conflict of interest because the use of margin can increase the total assets under management. Clients are under no obligation to authorize Almanack's use of margin.

**D.** Almanack's annual investment advisory fee is generally billed monthly in arrears based on the daily weighted average balance of the assets under management during the previous month. In certain instances, clients may be billed quarterly in advance, based upon the average daily balance of the previous quarter. When billing quarterly in advance, Almanack will make a prorated adjustment which will be added or subtracted from the following quarter's calculated fee to compensate for significant changes in the amount of client assets under management during the previous quarter. The billing method is specifically indicated in the client's IMA.

The IMA between Almanack and the client will continue in effect until terminated by either party by written notice in accordance with the terms of the IMA. Upon termination, Almanack shall refund the pro-rated portion of the advanced advisory fee paid based upon the number of days remaining in the billing quarter.

*Brokerage Practices.*

**Securities Commission Transactions.** In the event that the client desires, the client can engage certain of Almanack's representatives, in their individual capacities, as registered representatives of Third Party BD, FINRA member broker-dealers, to implement investment recommendations on a commission basis. In the event the client chooses to purchase investment products through a Third Party BD, the Third Party BD will charge brokerage commissions to effect securities transactions, a

portion of which commissions these firms shall pay to Almanack's representatives, as applicable. The brokerage commissions charged by the Third Party BD may be higher or lower than those charged by other broker-dealers. In addition, representatives of a Third Party BD, may also receive additional ongoing 12b-1 trailing commission compensation directly from the mutual fund company during the period that the client maintains the mutual fund investment.

1. **Conflict of Interest:** The recommendation that a client purchase a commission product from through a Third Party BD presents a conflict of interest, as the receipt of commissions may provide an incentive for dually registered employees to recommend investment products based on commissions to be received, rather than on a particular client's need. No client is under any obligation to purchase any commission products from Almanack's representatives through a Third Party BD.
2. Clients may purchase investment products recommended by Almanack through other, non-affiliated broker dealers or agents.
3. Almanack does not receive more than 50% of its revenue from advisory clients as a result of commissions or other compensation for the sale of investment products Almanack recommends to its clients.
4. When Almanack's representatives sell an investment product on a commission basis, Almanack does not charge an advisory fee in addition to the commissions paid by the client for such product. When providing services on an advisory fee basis, Almanack's representatives do not also receive commission compensation for such advisory services. However, a client may engage Almanack to provide investment management services on an advisory fee basis and separate from such advisory services purchase an investment product from Almanack's representatives on a separate commission basis.

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

Neither Almanack nor any supervised person of Almanack accept performance-based fees.

## **Item 7 - Types of Clients Private Wealth Management**

Clients shall generally include individuals, trusts, family offices, and business entities related to those clients. Almanack generally requires a minimum investment asset level of \$100,000 for investment advisory services. Almanack, in its sole discretion, may reduce or waive its minimum asset requirement based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.).

### **Investment Services**

The financial intermediaries utilizing this service generally include independent advisers and break away brokers. As noted above, with respect to sub-advisory engagements, clients may also include registered investment companies.

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

**A.** The Advisor employs a combination of methods to analyze potential investments strategies and risk of loss. These include both quantitative and qualitative research techniques. Examples of quantitative techniques include, but are not limited to, risk factor analysis, historical simulation and risk contribution analysis. The Advisor also employs fundamental analysis techniques based on primary, academic and third-party research spanning global macroeconomic and security specific analysis.

Investment Risk. Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by Almanack) will be profitable or equal any specific performance level(s). Investing in securities involves risk of loss that clients should be prepared to bear.

**B.** Almanack's method of analysis does not present any significant or unusual risks.

However, every method of analysis has its own inherent risks. To perform an accurate market analysis Almanack must have access to current/new market information. Almanack has no control over the dissemination rate of market information; therefore, unbeknownst to Almanack, certain analyses may be compiled with outdated market information, severely limiting the value of its analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

Almanack's primary investment strategies - Long Term Purchases and Short Term Purchases - are fundamental investment strategies. However, every investment strategy has its own inherent risks and limitations. For example, longer term investment strategies require a longer investment time period to allow for the strategy to potentially develop. Shorter term investment strategies require a shorter investment time period to potentially develop but, as a result of more frequent trading, may incur higher transactional costs when compared to a longer term investment strategy.

## **POTENTIAL RISKS OF INVESTING WITH FUNDS, EQUITIES, BONDS, AND OPTIONS**

### **Leveraged ETFs Risk**

An investment in Leveraged ETFs involves significant risk. Leveraged ETFs attempt to deliver a multiple on their stated index. This is typically done through the use of strategies employing swap agreements and futures contract by the ETF. These ETFs can have multiples up to 3x which means they are attempting to increase return by three times. It also means that, should the value of the portfolio decrease, the Leveraged ETF will have a more significant loss than had it not been leveraged. If held for more than a single day, these ETFs have greater risks than the use of leverage in investing, due to the compounding of daily leveraged returns for each trading day during the relevant trading period. Furthermore, Almanack may hold these ETFs for longer than the one day that many fund prospectuses suggest, leading to additional risks. As a consequence, especially in periods of market volatility, the volatility of the underlying index may affect an ETF's return as much as, or more than, the return of the underlying index. During periods of high volatility, these ETFs may not perform as expected and the ETFs may have losses when an investor may have expected gains if the ETFs are held for a period that is different than one trading day. In addition, the Advisor may invest in Inverse Leveraged ETFs, which combine the risks mentioned with both the Inverse ETFs and Leveraged ETFs. Therefore, while there can be a benefit in using Leveraged ETFs, these products present additional risk versus non-leveraged ETFs and will exacerbate any investment losses.

### **Redemption Fee Risk**

A mutual fund redemption fee, also referred to as a "redemption fee," "market timing fee," or "short-term trading fee," is a charge by a mutual fund company to discourage investors from making a short-term purchases and sales of mutual fund shares. Clients may incur redemption fees in the event that a model update is implemented, as Almanack and the Overlay Manager generally would not consider individual Client holding periods for existing Client portfolios. Redemption fees vary by mutual fund and are described in each mutual fund's prospectus. Imposition of redemption fees can have a material impact on the performance of Program accounts.

### **Stock Market Risk**

Mutual funds that invest in equity securities are subject to stock market risk. Stock market risk is the possibility that stock prices overall will decline over short or extended periods. Markets tend to move in

cycles, with periods of rising prices and periods of falling prices. Investing in small or medium-sized companies involves greater risk than is customarily associated with more established companies. Stocks of such companies may be subject to more volatility in price than larger company securities.

### **Foreign Securities Risk**

Foreign securities are subject to the same market risks as U.S. securities, such as general economic conditions and company and industry prospects. However, foreign securities involve the additional risk of loss due to political, economic, legal, regulatory, and operational uncertainties; differing accounting and financial reporting standards; limited availability of information; currency conversion; and pricing factors affecting investment in the securities of foreign businesses or governments.

### **Interest Rate Risk**

Bonds also experience market risk as a result of changes in interest rates. The general rule is that if interest rates rise, bond prices will fall and so will the mutual fund's share price. The reverse is also true: if interest rates fall, bond prices will generally rise.

A bond with a longer maturity (or a bond fund with a longer average maturity) will typically fluctuate more in price than a shorter-term bond. Because of their very short-term nature, money market instruments carry less interest rate risk.

### **Credit Risk**

Bonds and bond mutual funds are also exposed to credit risk, which is the possibility that the issuer of a bond will default on its obligation to pay interest and/or principal. U.S. Treasury securities, which are backed by the full faith and credit of the U.S. Government, have limited credit risk, while securities issued or guaranteed by U.S. Government agencies or government-sponsored enterprises that are not backed by the full faith and credit of the U.S. Government may be subject to varying degrees of credit risk. Corporate bonds rated BBB or above by Standard & Poor's are generally considered to carry moderate credit risk. Corporate bonds rated lower than BBB are considered to have significant credit risk. Of course, bonds with lower credit ratings generally pay a higher level of income to investors.

## **Liquidity Risk**

Liquidity risk exists when a particular security is difficult to trade. A mutual fund's investment in illiquid securities may reduce the returns of the mutual fund because the mutual fund may not be able to sell the assets at the time desired for an acceptable price, or might not be able to sell the assets at all.

## **Call Risk**

Many fixed income securities have a provision allowing the issuer to repay the debt early, otherwise known as a "call feature." Issuers often exercise this right when interest rates are low. Accordingly, holders of such callable securities may not benefit fully from the increase in value that other fixed income securities experience when rates decline. Furthermore, after a callable security is repaid early, a mutual fund would reinvest the proceeds of the payoff at current interest rates, which would likely be lower than those paid on the security that was called.

## **Objective/Style Risk**

All of the mutual funds are subject, in varying degrees, to objective/style risk, which is the possibility that returns from a specific type of security in which a mutual fund invests will trail the returns of the overall market.

## **U.S. Government Agency Securities Risk**

Securities issued by U.S. Government agencies or government-sponsored entities may not be guaranteed by the U.S. Treasury. If a government sponsored entity is unable to meet its obligations, the securities of the entity will be adversely impacted.

## **Options Strategies**

The use of options transactions as an investment strategy involves a high level of inherent risk. Option transactions establish a contract between two parties concerning the buying or selling of an asset at a predetermined price during a specific period of time. During the term of the option contract, the buyer of the option gains the right to demand fulfillment by the seller. Fulfillment may take the form of either selling or purchasing a security depending upon the nature of the option contract. Generally, the purchase or the recommendation to purchase an option contract by Almanack shall be with the intent of offsetting "hedging" a potential market risk in a client's portfolio. Although the intent of the options-related transactions that may be implemented by Almanack is to hedge against principal risk, certain of the options-related strategies (i.e. straddles, short positions, etc.), may, in and of themselves, produce principal volatility and/or risk. Thus, a client must be willing to accept these enhanced volatility and principal risks associated with such strategies. In light of these enhanced risks, client may direct Almanack, in writing, not to employ any or all such strategies for his/her/their/its accounts.

## **Risks Specific to The Schwab Institutional Intelligent Portfolios Program ETF**

### **General Risks**

ETFs in which the strategy may invest involve certain inherent risks generally associated with investments in a portfolio of securities, including the risk that the general level of security prices may decline, thereby adversely affecting the value of each unit of the ETF. Moreover, an ETF may not fully replicate the performance of its benchmark index because of the temporary unavailability of certain index securities in the secondary market or discrepancies between the ETF and the index with respect to the weighting of securities or the number of securities held. ETFs in which the strategies invest have their own fees and expenses as set forth in the ETF prospectuses. ETFs may have exposure to derivative instruments, such as futures contracts, forward contracts, options, and swaps. There is a risk that a derivative may not perform as expected. The main risk with derivatives is that some types can amplify a gain or loss, potentially earning or losing substantially more money than the actual cost of the derivative, or that the counterparty may fail to honor its contract terms, causing a loss for the ETF. Use of these instruments may also involve certain costs and risks such as liquidity risk, interest rate risk, market risk, credit risk, management risk, and the

risk that an ETF could not close out a position when it would be most advantageous to do so. Some ETFs available, including Schwab ETFs™, are less than 10 years old. Accordingly, there is limited data available to use when assessing the investment risk of some of these ETFs. As a result, one or more of the following may occur: (i) poor liquidity in or limited availability of the ETFs, or (ii) lack of market depth causing the ETFs to trade at excessive premiums or discounts.

*Investing Styles and Affiliated Funds:* As described in Item 4 above, if you allocate to an Almanack investment model your account may be invested in Affiliated Funds, as Almanack offers investment models that contain and exclude Affiliated Funds. As of March 1, 2020, the amount targeted to be invested in Affiliated Funds in select Almanack model portfolios ranged between approximately 0% and 20% of the composition of these model portfolios. Where your particular account falls within the range depends on your risk level and investment timeframe. These ranges are provided for informational purposes only and may be modified from time to time without notice to you at Almanack's discretion. The actual amount of your account assets invested in Affiliated Funds will be higher or lower than that of your model for reasons including, without limitation, client directed activity (such as deposits or withdrawals) and operational considerations. You should refer to your account statements and account information on your custodial statements, which show the composition of your account holdings and specific percentage allocation to each investment in your account, including Affiliated Funds.

Almanack performs the same quantitative and qualitative methods of analysis listed previously when determining if affiliated funds should be included within a respective Almanack investment model. Affiliated funds are generally included within certain models because they provide the advisor with access to a larger investment universe, the ability to quickly and efficiently adjust internal model risk, reduce overall underlying model expenses by reducing layers of fund fees improving tax efficiency because of the tax-advantages associated with ETFs in general.

**C.** Currently, Almanack primarily allocates client investment assets among various mutual funds (including closed end funds) and exchange traded funds ("ETFs") (including inverse ETFs and/or mutual funds that are designed to perform in an inverse relationship to certain market indices), individual equities (stocks), and debt instruments (bonds) on a discretionary or non-discretionary basis in accordance with the client's designated investment objective(s). The Advisor allocates investment management assets of its client accounts on a discretionary and non-discretionary basis, using its proprietary asset allocation program. Advisor's asset allocation strategy has been designed to comply with the requirements of Rule 3a-4 of the Investment Company Act of 1940. Rule 3a-4 provides similarly managed investment programs, such as Advisor's asset allocation program, with a non-exclusive safe harbor from the definition of an investment company.

In accordance with Rule 3a-4, the following disclosure is applicable to Almanack's management of client assets:

1. Initial Interview – at the opening of the account, Almanack through its designated representatives, shall obtain from the client information sufficient to determine the client's financial situation and investment objectives;
2. Individual Treatment - the account is managed on the basis of the client's financial situation and investment objectives;
3. Quarterly Notice – at least quarterly Almanack shall notify the client to advise Almanack whether the client's financial situation or investment objectives have changed, or if the client wants to impose and/or modify any reasonable restrictions on the management of the account;
4. Annual Contact – at least annually, Almanack shall contact the client to determine whether the client's financial situation or investment objectives have changed, or if the client wants to impose and/or modify any reasonable restrictions on the management of the account;

5. Consultation Available – Almanack shall be reasonably available to consult with the client relative to the status of the account;
6. Quarterly Report – the client shall be provided with a quarterly report for the account for the preceding period;
7. Ability to Impose Restrictions – the client shall have the ability to impose reasonable restrictions on the management of the account, including the ability to instruct Almanack not to purchase certain securities;
8. No Pooling – the client’s beneficial interest in a security does not represent an undivided interest in all the securities held by the custodian, but rather represents a direct and beneficial interest in the securities which comprise the account;
9. Separate Account - a separate account is maintained for the client with the Custodian;
10. Ownership – each client retains indicia of ownership of the account (e.g. right to withdraw securities or cash, exercise or delegate proxy voting, and receive transaction confirmations).

Almanack believes that its investment management fee is reasonable in relation to: (1) the advisory services provided under its client agreement; and (2) the fees charged by other investment advisers offering similar services/programs. However, Almanack's annual investment management fee may be higher than that charged by other investment advisers offering similar services/programs. In addition to Almanack's annual investment management fee, the client will also incur charges imposed directly at the mutual and exchange traded fund level, if applicable (e.g., management fees and other fund expenses).

Please Note: Almanack’s investment program may involve above- average portfolio turnover which could negatively impact upon the net after-tax gain experienced by an individual client in a taxable account.

## **Item 9 - Disciplinary Information**

The Advisor and its Principals have not been involved in legal or disciplinary events related to past or present investment clients. Almanack has no other information responsive to this section,

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

### **A. REGISTERED REPRESENTATIVES OF A BROKER DEALER**

As disclosed above, certain of Almanack’s representatives are, in a separate and independent capacity, registered representatives of Third Party BD each a FINRA member broker–dealer. Therefore, clients can choose to engage Almanack’s representatives, in their individual capacities as representatives of a Third Party BD, to effect securities brokerage transactions on a commission basis.

Conflict of Interest: The recommendation that a client purchase a commission product from an affiliated registered representative presents a conflict of interest, as the receipt of commissions may provide an incentive to recommend investment products based on commissions to be received, rather than on a particular client’s need. No client is under any obligation to purchase any commission products from Almanack’s representatives. Clients are reminded that they may purchase securities products recommended by Almanack through other, non–affiliated registered representatives.\_

**B.** Neither Almanack, nor its representatives, are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.

**C. Broker Dealer.** As disclosed above in Item 5.E, certain of Almanack's representatives are registered representatives of FINRA member broker-dealers. Clients can choose to engage Almanack's representatives, in their individual capacities, to effect securities brokerage transactions on a commission basis.

### **LICENSED INSURANCE AGENTS**

Certain Associated Persons of Almanack, in their individual capacities, are licensed insurance agents, and may recommend the purchase of certain insurance-related products on a commission basis. As referenced in Item 4 B above, clients can engage certain of Almanack's representatives to effect insurance transactions on a commission basis.

Conflict of Interest: The recommendation by certain representatives of Almanack, that a client purchase a securities or insurance commission product presents a material conflict of interest, as the receipt of commissions may provide an incentive to recommend investment products based on commissions received, rather than on a particular client's need. No client is under any obligation to purchase any commission products from any representatives of Almanack. Clients are reminded that they may purchase securities and insurance products recommended by Almanack through other, non-affiliated licensed insurance agents or registered representatives.

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### **AFFILIATED PRIVATE FUND**

The Advisor serves as an investment advisor to an affiliated private fund, AAFLP. Almanack receives an advisory fee for its services. The Fund operates under what is known as the Section 3(c)(1) exemption which requires that all of the eligible investors be "accredited investors" as such term is defined in Section 2(a)(51) of the Investment Company Act of 1940, as amended. The terms and conditions for participation in the Private Fund, including management and incentive fees, conflicts of interest, and risk factors, are set forth in the fund's offering and constituent documents. Almanack's clients are under no obligation to consider or make an investment in the Private Fund. In addition, Almanack Investment Partners, LLC serves as the general partner to AAFLP. As the general partner, Almanack is entitled to certain incentive fees as outlined in AAFLP's offering memorandum.

Clients are charged an investment advisory fee on the fund. As the investment adviser to the Fund, Almanack shall receive an annual investment advisory fee up to 0.75% of the net asset value. Almanack does charge individual clients a direct investment advisory fee on assets allocated to its affiliated Fund. The recommendation that a client become an investor in the Private Fund could present a potential conflict of interest. No client is under any obligation to become an investor in the any fund sponsored by Almanack or any of its affiliates.

### **OTHER PRIVATE FUND**

Certain employees of Adviser may sponsor or otherwise receive financial benefits from unaffiliated private fund(s) in which the Adviser's clients can invest. This presents a conflict of interest in that a financial advisor of the Adviser may receive compensation beyond the Adviser's customary management fee. Such investments are limited to Qualified Investors and Clients are advised of this potential conflict prior to investing and Clients are under no obligation to follow any particular investment recommendation.

### **OTHER INVESTMENT ADVISER FIRM**

The Advisor is affiliated and under common control with Gadsden, which is an SEC registered investment adviser (SEC# 801-112246/CRD#291195). Certain supervised persons of the Advisor are also supervised persons of Gadsden. No client is under any obligation to engage the services of Gadsden. As noted above, Gadsden is the investment manager to an exchange-traded fund known as the Gadsden Dynamic Multi-Asset ETF (NYSEArca: GDMA). The ETF is managed by principals of Almanack in their roles as investment adviser representatives of Gadsden. Additional details regarding the ETF is

available in the Fund's prospectus.

Almanack's Clients are charged an investment advisory fee on affiliated ETF positions maintained in Almanack client accounts. This is in addition to the fees paid by the affiliated ETF to Gadsden as the ETF manager. The recommendation that a client become an investor in the affiliated ETF presents a potential conflict of interest. No client is under any obligation to become an investor in an ETF managed by Almanack's affiliate.

## **BRANCH OFFICES**

Our firm offers services through our network of investment advisor representatives ("Advisor Representatives" or "IARs"). IARs may have their own legal business entities whose trade names and logos are used for marketing purposes and may appear on marketing materials or client statements. The Client should understand that the businesses are legal entities of the IAR and not of Almanack. The IARs are under the supervision of Almanack, and the advisory services of the IARs are provided through Almanack.

Almanack has the arrangement described above with the following Advisor Representatives: Almanack Family Office; Semper Fi Wealth Partners; Point91 Asset Management; Tritium Capital, Front Street Financial, LLC; Peters Wealth Advisors, LLC; Niche Financial Services, Inc; Junto Wealth, LLC; Michael Malone Investment Advisory; White Knight Capital; and Aspect Partners.

## **Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

**A.** Almanack maintains an investment policy relative to personal securities transactions. This investment policy is part of Almanack's overall Code of Ethics, which serves to establish a standard of business conduct for all of Almanack's Representatives that is based upon fundamental principles of openness, integrity, honesty and trust, a copy of which is available upon request.

In accordance with Section 204A of the Investment Advisers Act of 1940, Almanack also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by Almanack or any person associated with Almanack.

**B.** Neither Almanack nor any related person of Almanack recommends, buys, or sells for client accounts, securities in which Almanack or any related person of Almanack has a material financial interest other than those disclosed herein.

**C.** Almanack and/or representatives of Almanack may buy or sell securities that are also recommended to clients. This practice may create a situation where Almanack and/or representatives of Almanack are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a conflict of interest. Practices such as "scalping" (i.e., a practice whereby the owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon the rise in the market price which follows the recommendation) could take place if Almanack did not have adequate policies in place to detect such activities. In addition, this requirement can help detect insider trading, "front-running" (i.e., personal trades executed prior to those of Almanack's clients) and other potentially abusive practices.

Almanack has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of Almanack's "Access Persons." Almanack's securities transaction policy requires that Access Person of Almanack must provide the Chief Compliance Officer or his/her designee with a written report of their current securities holdings within ten (10) days after becoming an Access Person. Thereafter, the Access Person shall provide the Chief Compliance Officer or his/her designee with a written report each quarter detailing the Access Person's personal account transactions. Each Access Person must also provide the Chief Compliance Officer or his/her designee with a written report of the Access Person's current securities holdings at least once each twelve (12)

month period.

**D.** Almanack and/or representatives of Almanack may buy or sell securities, at or around the same time as those securities are recommended to clients. This practice creates a situation where Almanack and/or representatives of Almanack are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a conflict of interest. As indicated above in Item 11C, Almanack has a personal securities transaction policy in place to monitor the personal securities transaction and securities holdings of each of Almanack's Access Persons.

As disclosed above, Almanack has a financial interest in an affiliated private fund. Almanack, on a non-discretionary basis, manages certain client accounts which are invested in the affiliated private fund. The terms and conditions for participation in the affiliated private fund, including management fees, conflicts of interest, and risk factors, are set forth in the fund's offering documents. As noted above, Almanack will charge an investment management fee on Fund positions in client portfolios. Almanack's clients are under absolutely no obligation to consider or make an investment in a private investment fund(s), or to maintain such an investment. Almanack's Chief Compliance Officer, James Judge, remains available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding perceived conflict of interest that such arrangement may create.

As disclosed above, Almanack's related adviser, Gadsden is the investment manager to an ETF. Almanack, on both a discretionary and a non-discretionary basis, manages certain client accounts which are invested in the affiliated ETF. The terms and conditions for participation in the affiliated ETF, including management fees, conflicts of interest, and risk factors, are set forth in the fund's prospectus. As noted above, Almanack will charge an investment management fee on affiliated ETF positions in client portfolios. Almanack's clients are under absolutely no obligation to consider or make an investment in the affiliated ETF, or to maintain such an investment. Almanack's Chief Compliance Officer, James Judge, remains available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding conflict of interest that such arrangement may create.

## **Item 12 - Brokerage Practices**

Almanack operates its business through multiple custodians across a series of branch offices, and a network of individual advisers. Advisers within the various offices manage client assets independently to the best interest of each individual client or household. As a result, advisers may routinely take similar or contrary positions to other Almanack Advisers. While Almanack attempts to efficiently manage trading across the firm, its decentralized structure and client centric approach may limit its ability to do so.

The Advisor does not select brokers based upon whether Almanack will receive client referrals from a broker dealer or third party. Almanack may recommend a broker to its clients, but the ultimate selection of any broker remains with the client. When recommending a broker Almanack considers a number of factors including cost, execution capabilities, price, reputation, access to various markets, reporting, and security of client funds. Almanack does not engage in directed brokerage.

In the event that the client requests that Almanack recommend a broker-dealer/custodian for execution and/or custodial services (exclusive of those clients that may direct Almanack to use a specific broker-dealer/custodian), Almanack generally recommends that investment management accounts be maintained at *Schwab*, *Fidelity*, and/or *TD Ameritrade*. Prior to engaging Almanack to provide investment management services, the client will be required to enter into a formal *Investment Management Agreement* with Almanack setting forth the terms and conditions under which Almanack shall manage the client's assets, and a separate custodial/clearing agreement with each designated broker• dealer/custodian.

Factors that Almanack considers in recommending *Schwab*, *Fidelity* or *TD Ameritrade* (or any other broker-dealer/custodian to clients) include historical relationship with Almanack, financial strength, reputation, execution capabilities, pricing, research, and service. Although the transaction fees paid by Almanack's clients shall comply with Almanack's duty to obtain best execution, a client may pay a transaction fee that is higher than another qualified broker-dealer might charge to effect the same transaction where Almanack determines, in good faith, that the transaction fee is reasonable. 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 broker-dealer's services, including the value of research provided, execution capability, transaction rates, and responsiveness. Accordingly, although Almanack will seek competitive rates, it may not necessarily obtain the lowest possible rates for client account transactions. Unless services are provided in conjunction with a wrap program, transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, Almanack's investment advisory fee. Almanack's best execution responsibility is qualified if securities that it purchases for client accounts are mutual funds that trade at net asset value as determined at the daily market close.

1. Non-Soft Dollar Research and Additional Benefits

Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, Almanack may receive from *Schwab*, *Fidelity*, *TD Ameritrade* (or another broker-dealer/custodian, investment platform, unaffiliated investment manager, vendor, unaffiliated product/fund sponsor, or vendor) without cost (and/or at a discount) support services and/or products, certain of which assist Almanack to better monitor and service client accounts maintained at such institutions. Included within the support services that may be obtained by Almanack may be investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software and/or other products used by Almanack in furtherance of its investment advisory business operations.

As indicated above, certain of the support services and/or products that *can* be received may assist Almanack in managing and administering client accounts. Others do not directly provide such assistance, but rather assist Almanack to manage and further develop its business enterprise.

Almanack's clients do not pay more for investment transactions effected and/or assets maintained at *Schwab*, *Fidelity* or *TD Ameritrade* as a result of this arrangement. There is no corresponding commitment made by Almanack to *Schwab*, *Fidelity* or *TD Ameritrade* or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangement.

**Additional Benefits:** Almanack has entered into a written agreement with Schwab to receive certain additional economic benefits to be used toward compliance consulting, technology, marketing and research related expenses. The additional benefit is a tiered offering based upon the commitment of clients assets to Schwab custodial platform. Schwab makes periodic payments to third party service providers. Each payment is non-recurring and individually negotiated. Almanack has no expectation that these Additional Benefits will be offered again; however, Almanack reserves the right to negotiate for these Additional Benefits in the future Schwab Custodial Program

Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients.

Schwab's services described in this paragraph generally benefit the client and the client's account.

### **Schwab Custodial Program**

Schwab also makes available to us other products and services that benefit us but may not directly benefit the client or its account. These products and services assist us in managing and administering our clients' accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to service all or some substantial number of our clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- provide access to client account data (such as duplicate trade confirmations and account statements);
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts;
- provide pricing and other market data;
- facilitate payment of our fees from our clients' accounts; and
- assist with back-office functions, recordkeeping, and client reporting.

Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- educational conferences and events;
- technology, compliance, legal, and business consulting;
- publications and conferences on practice management and business succession; and
- access to employee benefits providers, human capital consultants, and insurance providers.

Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. Schwab may also provide us with other benefits such as occasional business entertainment of our personnel.

### **Risks Specific To The Schwab Institutional Intelligent Portfolios Program:**

Client accounts enrolled in the Program are maintained at, and receive the brokerage services of, Schwab. While clients are required to use Schwab as custodian/broker to enroll in the Program, the client decides whether to do so and opens its account with Schwab by entering into a brokerage account agreement directly with Schwab. Almanack does not open the account for the client. If the client does not wish to place his or her assets with Schwab, then Almanack cannot manage the client's account through the Program. Schwab may aggregate purchase and sale orders for ETFs across accounts enrolled in the Program, including both accounts for our clients and accounts for clients of other independent investment advisory firms using the Platform.

With respect to the Program, as described above under Item 4 Advisory Business, we do not pay SPT fees for the Platform so long as we maintain \$100 Million in client assets in accounts at CS&Co. that are not enrolled in the Program. In light of our arrangements with Schwab, Almanack has an incentive to recommend that clients maintain their accounts with Schwab, based on its interest in receiving Schwab's services that benefit its business rather than based on the client's interest in receiving the best value in custody services and the most favorable execution of transactions. This is a conflict of interest. Almanack believes, however, that its selection of Schwab, as custodian and broker is in the best interests of its clients. This belief is

primarily supported by the scope, quality, and price of Schwab's services and not Schwab's services that benefit only Almanack.

2. Almanack does not receive referrals from broker-dealers.

3. Almanack recommends that its clients utilize the brokerage and custodial services provided by *Schwab, Fidelity* and *TD Ameritrade*. Almanack does not generally accept directed brokerage arrangements (when a client requires that account transactions be effected through a specific broker-dealer). In such client directed arrangements, the client will negotiate terms and arrangements for their account with that broker-dealer, and Almanack will not seek better execution services or prices from other broker-dealers or be able to "batch" the client's transactions for execution through other broker-dealers with orders for other accounts managed by Almanack. As a result, client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case.

In the event that the client directs Almanack to effect securities transactions for the client's accounts through a specific broker-dealer, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to effect account transactions through alternative clearing arrangements that may be available through Almanack. Higher transaction costs adversely impact account performance. In addition, transactions for directed accounts will generally be executed following the execution of portfolio transactions for non- directed accounts.

To the extent that Almanack provides investment management services to its clients, the transactions for each client account generally will be effected independently, unless Almanack decides to purchase or sell the same securities for several clients at approximately the same time. Almanack may (but is not obligated to) combine or "aggregate" such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among Almanack's clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. Almanack shall not receive any additional compensation or remuneration as a result of such aggregation.

### **Item 13 - Review of Accounts**

**A.** For those clients to whom Almanack provides investment supervisory services, account reviews are conducted on a periodic basis by Almanack's Principals, at least annually. All investment supervisory clients are advised that it remains their responsibility to advise Almanack of any changes in their investment objectives and/or financial situation. All clients (in person or via telephone) are encouraged to review financial planning issues (to the extent applicable), investment objectives and account performance with Almanack on an annual basis.

**B.** Account performance is reviewed daily by the Principals and at the discretion of the client. Almanack may conduct account reviews on an other than periodic basis upon the occurrence of a triggering event, such as a change in client investment objectives and/or financial situation, market corrections and client request.

**C.** Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. Almanack may also provide a written periodic report summarizing account activity and performance.

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

**A.** As referenced above at Item 12, Almanack receives economic benefits from Schwab, Fidelity and/or TD Ameritrade. Almanack, without cost (and/or at a discount), may receive support services and/or products from these custodians.

Almanack's clients do not pay more for investment transactions effected and/or assets maintained at Schwab, Fidelity or TD Ameritrade as a result of this arrangement. There is no corresponding commitment made by Almanack to Schwab, Fidelity or TD Ameritrade or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangement.

**B.** If a client is introduced to Almanack by either an unaffiliated or an affiliated solicitor, Almanack may pay that solicitor a referral fee in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940, and any corresponding state securities law requirements. Any such referral fee shall be paid solely from Almanack's investment management fee and shall not result in any additional charge to the client. If the client is introduced to Almanack by an unaffiliated solicitor, the solicitor, at the time of the solicitation, shall disclose the nature of his/her/its solicitor relationship, and shall provide each prospective client with a copy of Almanack's written Brochure with a copy of the written disclosure statement from the solicitor to the client disclosing the terms of the solicitation arrangement between Almanack and the solicitor, including the compensation to be received by the solicitor from Almanack.

## **Item 15 - Custody**

Almanack Private Wealth Management clients' assets are held in custody by unaffiliated broker/dealers and Almanack has the ability to have its advisory fee for each client debited by the custodian on a monthly basis. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker dealer/custodian and/or program sponsor for the client accounts. Almanack may also provide a written periodic report summarizing account activity and performance.

To the extent that Almanack provides clients with periodic account statements or reports, the client is urged to compare any statement or report provided by Almanack with the account statements received from the account custodian. The account custodian does not verify the accuracy of Almanack's advisory fee calculation.

Assets of clients who have invested in the model portfolios are held in custody by unaffiliated broker/dealers. Clients should receive at least quarterly statements from the broker/dealer that holds and maintains the client's assets. Almanack urges you to carefully review such statements and compare such official custodial records to the account statements provided to you by your financial intermediary. The financial intermediary performance reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

All Private Fund assets, other than interests in the Underlying Funds, are held in custody by unaffiliated broker/dealers or banks. Investors in the Private Funds do not receive statements from the custodian of the activity within the Private Funds. Instead, the third-party administrator to the Private Funds distributes periodic performance and net asset value statements to each investor, and the Private Funds are subject to an annual audit and the audited financial statements are distributed to each investor. The audited financial statements are prepared in accordance with generally accepted accounting principles and distributed to the investors.

**Custody Situations:** Almanack engages in other practices and/or services on behalf of its clients that require disclosure in the ADV Part 1, Item 9. That is, certain clients have established asset transfer authorizations which permit the qualified custodian to rely upon instructions from Almanack to transfer client funds or securities to third parties. These arrangements are also disclosed at ADV Part 1, Item 9, but in accordance with the guidance provided in the SEC's February 21, 2017 Investment Adviser Association No-Action Letter, the affected accounts **are not** subject to an annual surprise CPA examination.

#### **Item 16- Investment Discretion**

The client can determine to engage the Advisor to provide investment advisory services on a discretionary basis. Prior to the Advisor assuming discretionary authority over a client's account, the client shall be required to execute an *Investment Management Agreement*, naming the Advisor as the client's attorney and agent in fact, granting the Advisor full authority to buy, sell, or otherwise effect investment transactions involving the assets in the client's name found in the discretionary account.

Clients who engage the Advisor on a discretionary basis may, at any time, impose restrictions, **in writing**, on the Advisor's discretionary authority (i.e. limit the types/amounts of particular securities purchased for their account, exclude the ability to purchase securities with an inverse relationship to the market, limit or proscribe the Advisor's use of margin, etc.).

#### **Item 17 - Voting Client Securities**

**A.** Almanack does not vote client proxies. Clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets.

**B.** Clients will receive their proxies or other solicitations directly from their custodian. Clients may contact Almanack to discuss any questions they may have with a particular solicitation.

## **Item 18 - Financial Information**

The Advisor is not required to include a balance sheet for our most recent fiscal year end because Almanack does not require or solicit more than \$1,200 in fees per client, six months or more in advance. In this Item, Almanack is required to disclose that the Advisor has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients. Additionally, the Advisor has not been the subject of a bankruptcy petition during the past ten years.

**ANY QUESTIONS: Almanack's Chief Compliance Officer, James Judge, remains available to address any questions that a client or prospective client may have regarding any of the above disclosures and arrangements.**