arta finance

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PART 2A OF FORM ADV: FIRM BROCHURE

June 23, 2023

This brochure provides information about the qualifications and business practices of Arta Finance Wealth Management, LLC. ("Arta"). If you have any questions about the contents of this brochure, please contact us at (650) 318-3898 or support@artafinance.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

Additional information about Arta is also available on the SEC's website at www.adviserinfo.sec.gov.

Registration with the SEC as a registered investment adviser pursuant to the Investment Advisers Act of 1940, as amended (the "Advisers Act"), does not imply a certain level of skill or training.

ITEM 2 MATERIAL CHANGES

This Item requires us to summarize any material change to our Form ADV Part 2A since our last annual amendment. We have summarized the following change to the current Form ADV Part 2A below:

- Item 4: Advisory Business – We updated this Item to reflect our assets under management. As of June 13, 2023, Arta has $28,332,392 in assets under management. $13,386,892 of this is held in discretionary accounts, $14,945,500 is in non-discretionary accounts.
- Item 4: Updated to include derivative sales services
- Item 8: Updated to include additional risk sections
- Item 15: Updated to reflect change in custody status

Since the previous filing on April 24, 2023, which included material updates to Item 4 and Item 8 regarding the addition of private placement services, the Adviser has also made other non-material edits to this brochure.

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ITEM 4 ADVISORY BUSINESS

Arta Finance Wealth Management, LLC ("Arta," "Adviser," "Firm"), a Delaware LLC, was established in 2022 with an office in Mountain View, CA. The Firm was previously incorporated as Arbo Work Inc. in 2021 until the current entity was created to house the investment advisory functions of the Firm. The Firm is owned by 8 co-founders as well as several VC firms, all of whom own less than 10%. Caesar Sengupta serves as CEO and owns 10.05% of Arta. As of June 13, 2023, Arta has $28,332,392 in assets under management. $13,386,892 of this is held in discretionary accounts, $14,945,500 is in non-discretionary accounts.

Arta provides an interactive investment platform (the "Platform") to its clients. The Platform is only accessible through smartphone applications available on the Google Play Store and Apple App Store. The Platform helps clients reach their financial goals by providing recommendations and investment strategies tailored to each individual's preferences, objectives, and risk tolerance. Arta currently offers its services to Accredited Investors, Qualified Clients, and Qualified Purchasers. Arta collects information from each client at time of onboarding, and periodically thereafter, including specific information about a client's financial situation and overall investment objectives. Investment recommendations are then generated and executed by Arta's proprietary algorithm ("the Algorithm") based on the information provided. Arta accepts full discretion over client assets for fully managed accounts, and also offers services on a self-directed basis, whereby clients do not receive investment advice from Arta. Our services are delivered through tandem accounts (discretionary and self-directed); therefore, at account inception, both such accounts are automatically and simultaneously opened on behalf of clients, as outlined in the Investment Management Agreement.

Arta offers clients the opportunity to transact where applicable in equities, ETFs, mutual funds, derivatives, private placements, and margin accounts. Arta may offer margin accounts, private placements, lines of credit, and derivatives to eligible investors; such offerings are subject to approval from the issuer or custodian/broker-dealer and must be compatible with the investment objectives of the client. Certain private placement investments will only be offered to qualified investors.

Arta does not participate in wrap fee programs.

Arta is an internet-based adviser registered with the SEC under reliance upon the Multi-State Adviser Exemption (Rule 203A-2(d)), as services are offered through an interactive, web-based platform that is accessible to users across the country. As such, the Adviser has registration implications in 15 or more states.

ITEM 5 FEES AND COMPENSATION

Separately Managed Accounts ("SMA")

As a courtesy, Arta will provide clients with a self-directed account, for which Arta will not charge fees. For accounts managed on a discretionary basis, clients will be charged fees as described on the schedule below. Fees are charged quarterly, in-arrears, and may be waived or discounted at Arta's sole discretion.

AI-Managed Portfolio ("AMP") fee structure:

Pricing Model	Investor Type	Pricing (Annual)
Asset-based	Accredited Investors and Qualified Clients	0.0-0.5% of amount invested, determined by each specific AMP
Hybrid (Asset-based and Performance-based)	Qualified Clients	0.20% of amount invested + 5% of growth*
Performance-based	Qualified Clients	10% of growth*

*5-10% performance fee is based on incremental growth of monthly (or quarterly) average balance from previous month (or quarter)

Alternative Investments and Private Placements

All private placements offered via the platform are sponsored by third-parties and offered through third-party platforms. Arta charges a fee to its clients for investments in private placements. The fee ranges up to 1%, of the amount invested, depending on each specific private placement. Arta does not provide investment advice or recommendations relating to private placements, and provides access to private placements solely as a convenience and benefit to its clients. Underlying issuers will charge fees to Arta's clients, which will vary by each private placement. Clients should refer to the underlying issuer's subscription agreements for each specific private placement to obtain this information.

Fees for Investment of Client Assets in Third-Party Mutual Funds, Private Funds, and Other Pooled Investment Vehicles

At times, Arta may invest a client's assets in mutual funds (including money market funds or similar short-term investment funds) or other pooled investment vehicles sponsored by third parties, such as hedge funds, venture capital funds, REITs, structured products, exchange traded notes and/or exchange traded funds. To the extent that a client's assets are invested in other pooled investment vehicles, the client will also typically pay management and/or other fees (such as performance fees) associated with each such mutual fund or other pooled investment vehicle that are in addition to the fees paid by the client to Arta, as described below. Those fees are described in each mutual fund or other pooled investment vehicles' offering documents (e.g., prospectus or offering memorandum). Such charges, fees, and commissions are exclusive of, and in addition to, Arta's investment advisory fee.

Additional Fees and Expenses Payable by Clients

Clients may incur brokerage commissions, transaction fees, service provider fees, and other related costs and expenses directly from the custodian, issuer, or broker-dealer. Execution of client transactions may require payment of brokerage commissions by clients. “Item 12 – Brokerage Practices” further describes the factors that Arta considers when selecting or recommending broker-dealers for the execution of transactions and determining the reasonableness of their compensation (e.g., commissions). Investment activity may also involve other transaction fees payable by clients, such as sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. In addition, clients may incur certain charges imposed by outside custodians, broker-dealers, and other third parties, such as custodial fees, administrative fees, and transfer agency fees. Arta does not currently receive any payments from brokers, custodians, or any other third parties relating to its provision of investment advisory services.

Mutual Funds

Specifically, fees for mutual fund investments generally include two types: shareholder fees and annual fund operating expenses. Shareholder fees may include:

- Sales loads (fees paid to a broker/dealer, which may include front end sales loads (sales fees charged upon purchasing shares) and/or back-end sales loads (sales fees charged upon redeeming shares));
- Redemption fees (fees paid to the fund upon the sale of mutual fund shares);
- Exchange fees (fees charged for transferring to another fund within the same fund group); and
- Account fees (account maintenance fees).

Annual fund operating fees include:

- Management fees (fees paid to an adviser or its affiliates for managing the fund);
- Distribution and/or service (e.g., 12b-1) fees (fees for distribution expenses, and sometimes shareholder service expenses); and
- Other expenses (miscellaneous expenses, such as custodial expenses, legal expenses, accounting expenses, transfer agent expenses, and other administrative expenses).

Clients whose assets are invested in mutual funds may pay some or all of the above fees. Clients should review the prospectus of any fund in which their assets are invested in order to understand the fees that may be applicable to their particular investment.

Arta Referral Program

Arta maintains a referral program (“Waives”) that enables it and its clients to provide waivers of Arta fees on investments made through the Platform to existing or new clients. There are two types of Waives, those that can be applied to certain investments in a client’s own account and those that can be gifted to other clients. The fee waivers only apply to Arta fees and do not waive fees levied by underlying security issuers, sponsors, or managers. Arta maintains Waives at its sole discretion and may make changes to the program without notice. Waives are subject to certain terms & conditions which can be viewed upon becoming a client of Arta.

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

Performance-Based Fees

Arta offers performance-based pricing to Qualified Clients. Clients meeting these criteria may choose from pricing structures that are performance-based or based on assets under management, as mentioned in Item 5. Performance-based fees can incentivize Arta to take additional risk with a client's portfolio in order to receive this fee. A more volatile portfolio can benefit both the adviser and client during up markets, but can damage a client’s portfolio during down markets.

Side-by-Side Management

Our Algorithm and Platform simultaneously manage accounts for various Arta clients, some of whom may have similar investment objectives. The simultaneous management of these different investment accounts could create certain conflicts of interest if the fee structures for the management of certain types of accounts were higher than others. Arta recognizes that it has an affirmative duty to treat all such accounts fairly and equitably over time. Although Arta has a duty to treat all similarly managed accounts fairly and equitably over time, such portfolios will not necessarily be managed the same at all times. Specifically, there is no requirement that Arta uses the same investment practices consistently across all accounts. In general, investment decisions for each client account will be made independently from those of other client accounts, and will be made with specific reference to the individual needs and objectives of each client account. In addition, Arta will not necessarily purchase or sell the same securities at the same time or in the same proportionate amounts for all eligible accounts, particularly if different accounts have materially different amounts of assets under management by Arta or different amounts of investable cash available. As a result, although Arta manages numerous accounts with similar investment objectives, or may manage accounts with different objectives that trade in the same securities, the portfolio decisions relating to these accounts, and the performance resulting from such decisions, may differ from account to account.

ITEM 7 TYPES OF CLIENTS

Arta provides advice to individuals (including joint accounts), trusts, and entities (including family offices and institutional investors). All investors must be accredited investors at a minimum, as defined by Regulation D. Potential clients will need to provide information to substantiate their qualified or accredited status at time of onboarding. Arta currently requires a minimum investment of $100,000, which may be reduced or waived in the Adviser’s sole discretion.

Conditions for Managing Accounts

Arta requires each client to execute an Investment Management Agreement that details the nature of the discretionary investment advisory authority given to Arta. Arta will not accept an account from an investor whose investment objective or policy is inconsistent with Arta’ fundamental investment philosophy and approach.

Private placement investments will have issuer-imposed, investment-specific investment minimums and requirements. The specifics of such minimums and requirements can be found in the subscription documents for each such investment.

Arta may allow clients to “link” outside brokerage accounts. Such linking functionality will allow view-only access to the client’s outside brokerage account balances and investments for their convenience. Neither Arta nor its clients are able to effect transactions in outside brokerage accounts through the use of such linking functionality. Arta will have view-only visibility of all linked accounts, but does not consider such investments and accounts in the management of client accounts.

ITEM 8 METHOD OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Investment Strategies and Methods of Analysis

Discretionary Investments & Accounts

AI Managed Portfolios (AMPs)

For clients investing through AMPs, Arta utilizes proprietary, automated computer algorithms to build strategies and recommendations based on a client’s preferences, investment objectives, and risk tolerance on a discretionary basis. Arta will present clients with recommended investments based on the financial information and investment preferences shared by the client. Such inputs will drive algorithmic account management.

Non-Discretionary Investments & Accounts

Private Placements and Alternative Investments

Similarly, Arta collects accreditation and qualification information electronically via the Platform in order to determine eligibility for private placement and alternative investments.

Self-directed accounts do not receive any investment advice from Arta.

Risks

Risk of Loss

All investing and trading activities risk the loss of capital. Arta cannot guarantee any level of performance or that clients will not incur a loss of capital. The following risks are not meant to be all inclusive, but should be considered prior to engaging Arta for its advisory services.

Technology Risk

Advisers who rely on technology for the delivery of services, known as internet-based investment advisers, offer online investment management services using algorithms and automated processes. Arta continues to offer algorithmic management of client assets through its AMP products.

Lack of Personalized Advice

While Arta offers a questionnaire to assess your risk tolerance and investment goals, the advice provided may not be completely tailored to your specific financial situation, objectives, or preferences. Personalized advice that considers individual circumstances can be crucial in making appropriate investment decisions.

Reliance on Algorithms

Arta's AMPs are based on algorithms that analyze market data and historical trends. While algorithms can be effective tools for decision-making, they are not infallible. They may fail to account for certain market conditions, unexpected events, or changes in investment trends, which could lead to suboptimal investment outcomes.

Technology and Security Risks

Internet-based platforms are vulnerable to technological glitches, system failures, or cyber-attacks that could potentially compromise the security of your personal and financial information. Although Arta has security measures in place, there is always a risk of data breaches or unauthorized access to your account.

Overemphasis on Historical Data

AMPs rely heavily on historical data to make investment recommendations. However, past performance is not always indicative of future results. Economic and market conditions can change, and over-reliance on historical data may overlook potential risks or fail to identify emerging investment opportunities.

Advisory Risk

There is no guarantee that Arta's algorithm, analysis, or recommendations pertaining to particular securities or strategies will produce the intended results. Our judgment may not be correct and clients may not achieve their investment objectives. In addition, there is a risk that Arta or its clients may experience computer issues, including equipment or Platform failure, loss of internet access, viruses, or other events that may impair our ability to provide advisory services.

General Market Risk

The price of any security or the value of an entire asset class can decline for a variety of reasons that Arta cannot control, including, but not limited to, changes in the macroeconomic environment, unpredictable market sentiment, forecasted or unforeseen economic developments, interest rates, regulatory changes, and domestic or foreign political, demographic, or social events.

Financial Institution Risk

Financial Institution Risk; Distress Events. An investment with Arta is subject to the risk that one of the Firm's service providers, including banks, brokers, hedging counterparties, lenders or other custodians of some or all of the Firm's assets (each, a "Financial Institution") fails to perform its obligations or experiences insolvency, closure, receivership or other financial distress or difficulty (each, a "Distress Event"). Distress Events can be caused by factors including eroding market sentiment, significant withdrawals, fraud, malfeasance, poor performance or accounting irregularities. In the event a Financial Institution experiences a Distress Event, Arta may not be able to access deposits, borrowing facilities or other services on behalf of its clients for an extended period of time or ever. Although assets held by regulated Financial Institutions in the United States frequently are insured up to stated balance amounts by organizations such as the Federal Deposit Insurance Corporation ("FDIC"), in the case of banks, or the Securities Investor Protection Corporation ("SIPC"), in the case of certain broker-dealers, amounts in excess of the relevant insurance are subject to risk of loss, and any non-U.S. Financial Institutions that are not subject to similar regimes pose increased risk of loss.

Although in recent years governmental intervention has resulted in additional protections for depositors, there can be no assurance that governmental intervention will be successful or avoid the risk of loss, substantial delays or negative impact on banking or brokerage conditions or markets. Any Distress Event has a potentially adverse effect on the ability of Arta to manage its client investments, and on the ability of the Firm to maintain operations, which in each case could result in significant losses and unconsummated investment acquisitions and dispositions. Such losses have the potential to require Arta to pay fees and expenses in the event the Firm is not able to close a transaction on behalf of its client (whether due to the inability to draw capital on a credit line provided by a Financial Institution experiencing a Distress Event), as well the inability of the Firm to acquire or dispose of investments at prices that the Firm believes reflect the fair value of such investments. Although Arta expects to exercise contractual remedies under the agreements with Financial Institutions in the event of a Distress Event, there can be no assurance that such remedies will be successful or avoid losses or delays. Many Financial Institutions require, as a condition to using their services or otherwise, that Arta maintain all or a set amount or percentage of their respective accounts or assets with the Financial Institution, which heightens the risks associated with a Distress Event with respect to such Financial Institutions. Although Arta seeks to do business with Financial Institutions that it believes are creditworthy and capable of fulfilling their respective obligations to the Firm's clients, Arta is under no obligation to use a minimum number of Financial Institutions with respect to any client, or to maintain account balances at or below the relevant insured amounts.

Liquidity Risk

In situations where there is little or no active trading market for certain securities or investments, it may be more difficult to sell them at or near their perceived value, or at any price. When a portfolio holds illiquid investments, the portfolio may be harder to value, especially in changing markets, and if a portfolio is forced to sell these investments to meet redemptions or for other cash needs, the portfolio may suffer a loss. In addition, when illiquidity in the market exists for certain securities, a portfolio, due to limitations on the investments in illiquid securities, may be unable to achieve its desired level of exposure to a certain sector

Private Placement Risk

Due to the speculative nature of private placements, such investments carry larger general risk, including loss of principal. Additionally, private placements carry other risks such as valuation and lack of liquidity. Clients should review underlying fund documents when considering an investment in any private placement.

Derivative Risk

Committed securities can be called away from the client (i.e., underlying shares can be sold). Selling the underlying stock prior to expiration can result in losses. Derivative trades may produce adverse tax consequences depending on the strategies employed - investors should consult with a tax specialist regarding their unique scenario and circumstances to understand the types of tax obligations that may result from derivative trades. When selling covered options, the client may lose out on potential gains if the underlying asset price moves past the strike price of the option they traded. Purchasing options does not guarantee the client will be protected from loss or that the value of any protection will exceed the premium spent. The market value of a derivatives position may vary for a variety of reasons other than a change in the share price of the underlying asset, including but not limited to volatility, interest rates, dividends, or other unforeseen circumstances.

Equity Securities Generally

The value of equity securities generally varies with the performance of the issuer and movements in the equity markets. Investors in equity securities may lose a substantial portion of their principal.

Large Cap Stock Risk

Accounts focusing on large cap companies may underperform other equity accounts invested in other types of equities, as large cap companies may not experience sustained periods of growth in the mature product markets in which they operate.

Small and Mid Cap Stock Risk

Accounts focusing on small and mid cap stocks may have more risk than those focused on larger more established companies because small and mid cap companies may have less revenue, narrower product lines, less management depth, small market share, fewer financial resources, and less competitive strength.

Exchange Traded Funds and Notes ("ETF/ETN") Risk

Investing in ETFs or ETNs carry additional risks, such as the risk of not having the same rights as direct shareholders (e.g. voting rights), paying additional or unexpected fees and charges, not being able to choose the investments within the ETF/ETN, the ETF/ETN not tracking its underlying index or asset accurately or consistently, or of facing unfavorable or complex tax consequences.

Fixed Income Risks

Credit and Counterparty Risk

An issuer of bonds or other debt securities or a counterparty to a derivatives contract may not be able to meet interest, principal, or settlement payments, or otherwise honor its obligations.

Interest Rate Risk

Fixed-coupon payments (cash flows) of debt securities may become less competitive with the market in periods of rising interest rates and cause debt security prices to decline.

Prepayment Risk

Many bonds and debt securities have call provisions that may result in debtors paying back the debt prior to maturity during periods of decreasing interest rates.

Leveraged Instrument Risk

Leveraged instruments are financial instruments that use borrowed money to increase the potential return of an investment. However, they also increase the potential risk of loss. Using leverage can result in much higher downside risk, sometimes resulting in losses greater than your initial capital investment. Use of leverage may be more expensive than other types of trading due to fees, margin rates, and contract premiums regardless of the success of the trade. Additionally, use of leveraged instruments is generally a more complex strategy to deploy, as trading may require additional capital and time based on portfolio needs. Most notably, volatility drag (also known as volatility tax, beta slippage, value erosion, decay, and other names) makes a long-term investment in leveraged exchange-traded funds (ETFs) more exposed to losses than many realize.

Mitigation of Risks

Investments in AMPs are generally diversified algorithmically taking into account various factors, including (but not limited to) the number of stocks utilized, investment across industries, historic performance and geographic dispersion. Arta reviews accounts on a regular basis. At times, Arta may use various analytical reports to assess accounts. Arta may change investment strategies based on extraordinary market conditions.

Force Majeure

Arta shall not be liable for any failure or delay in performing its obligations under its agreement with the Client or App Terms of Service if such failure or delay is caused by an event or circumstance beyond the reasonable control of the affected party ("Force Majeure Event"), including but not limited to acts of God, natural disasters, war, terrorism, riots, strikes, labor disputes, governmental actions, epidemics, pandemics, or any other events beyond the reasonable control of the parties.

If a Force Majeure Event occurs, Arta will seek to promptly notify the relevant parties in writing, providing details of the event, its impact on performance, and the expected duration of the event. Arta will seek to make reasonable efforts to mitigate the effects of the event and resume performance as soon as practicable.

During the continuance of the Force Majeure Event, the obligations of Arta that are prevented or delayed by the event may be suspended. Arta strives to act in good faith to find alternative methods of performance to accommodate the changed circumstances resulting from the Force Majeure Event.

ITEM 9 DISCIPLINARY INFORMATION

There are no legal or disciplinary events that are material to a client's evaluation of Arta or the integrity of our management or any employee of our Firm.

ITEM 10 OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Arta's parent company has a new membership application pending to register as a broker-dealer.

Arta's parent business controls a separate entity that offers insurance products, Arta Finance Insurance LLC.

Neither Arta nor any of its management persons is registered, or has applied to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person thereof.

None of Arta's employees or officers have relationships with related parties in the financial services industry that materially affect Arta's advisory service or any member.

None of Arta' employees or officers recommend or select investment advisers for clients or have any business relationships with other investment advisers.

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

It is possible that employees may independently invest in the same securities that are held by and/or recommended to clients. Arta employees are eligible to hold accounts with Arta and invest alongside clients in private placements investments. As such, Arta has adopted a Code of Ethics that sets forth the standards of conduct expected of employees. All employees including management are required to comply with the provisions of the Code of Ethics. The Code of Ethics includes policies and procedures relating to personal trading, gifts and entertainment involving business associates, outside activities, charitable donations as well as other potential or actual conflicts of interest. All employees and officers must acknowledge receipt of the Code of Ethics and report any violations of the Code to the Chief Compliance Officer.

In addition, the Code of Ethics requires all employees including management to comply with certain rules designed to protect against insider trading. Pursuant to the Code of Ethics, upon commencement of employment, Arta's employees who are designated as Access Persons are required to provide an initial holdings report disclosing all personal brokerage accounts, private placements, and investments of limited opportunity (e.g. "hedge funds"). In addition, employees must thereafter provide a personal trading report to the Compliance department within 30 days after the end of each calendar quarter. This report must include every securities transaction (excluding transactions effected in any account over which neither Arta nor the employee has any direct influence or control, and transactions in securities that are direct obligations of the Government Of the United States, bankers' acceptances, bank certificates of deposit, commercial paper, and high quality short-term debt instruments, including repurchase agreements, or shares issued by registered open-end investment companies) in which the employee, the employee's immediate family or trusts of which the employee is a trustee or in which the employee has a beneficial interest have participated during the quarter.

Certain personal trades must be pre-cleared by the Chief Compliance Officer, including investments in private placements and initial public offerings, as referenced above, and such pre-clearance will apply to initial public offerings and private placements, as further described in Arta's Code of Ethics. Each employee is also required to provide an annual report of brokerage accounts and holdings along with an acknowledgement at least annually that the employee will comply with the provisions of the Code of Ethics.

Arta's related persons may from time to time invest in or receive services from registered advisors on the Arta platform. If so, prior to making such investment or any withdrawal, a related person is required to disclose his or her intent to make such investment or withdrawal, as applicable, to Arta's Chief Compliance Officer for review and approval as provided for in Arta's Code of Ethics.

Arta is required to keep copies of the Code of Ethics and all records relating thereto. Clients or prospective clients may obtain a copy of the Code of Ethics upon written request using the address on the front page of this Brochure.

ITEM 12 BROKERAGE PRACTICES

Arta utilizes qualified custodians to maintain custody of client assets. These same brokers will execute client transactions. Arta has a fiduciary duty to seek best execution (see further description below), and to ensure that trades are allocated fairly and equitably among clients over time.

Brokerage Relationships

Arta's relationships with broker/dealers, particularly those affiliated with large financial services organizations, are complex. Arta uses various broker-dealers to execute trades on behalf of clients, but Arta may also have many other relationships with such firms. For example:

- Arta may invest client assets in securities issued by broker/dealers or their affiliates; and
- Notwithstanding such relationships or business dealings with these broker-dealers, Arta has a fiduciary duty to its clients to seek best execution when trading with these firms, and has policies and procedures to monitor its efforts in this regard, as described further below.

Best Execution – Selection Factors for Broker / Dealers

As noted above, Arta has a duty to seek best execution of transactions for client accounts. "Best execution" is generally understood to mean the most favorable cost or net proceeds reasonably obtainable under the circumstances. In seeking best execution, Arta looks for the best combination of transaction price, quality of execution (e.g., the speed of execution, the likelihood the trade will be executed, etc.), and other valuable services that an executing broker/dealer may provide.

Clients grant Arta the authority to select the broker/dealer to be used for the purchase or sale of securities. Arta, in seeking best execution, will make this selection based on a number of factors, which may include, but are not limited to, the following: the broker/dealer's financial soundness; the broker/dealer's ability to effectively and efficiently execute, report, clear, and settle the order; the broker/dealer's ability to commit capital; the broker/dealer's ability to timely and accurately communicate with Arta' trading desk and operations team; the broker/dealer's commission rates; the number of shares being purchased or sold; and similar factors. Arta does not consider any client referrals from a broker/dealer when determining best execution, or when placing client trades.

Arta is not obligated to choose the broker/dealer offering the lowest available commission rate if, in Arta's reasonable judgment, the total cost or proceeds from the transaction may be less favorable than what may be obtained elsewhere or if a higher commission is justified by the service and/or research provided by another broker/dealer.

Arta has implemented a policy to address the conflicts of interest associated with its brokerage practices. To determine that it is receiving best execution for its transactions over time, Arta will obtain information as to the general level of commission rates being charged by the brokerage community, from time to time, and may periodically evaluate the overall reasonableness of brokerage commissions paid on client transactions by reference to such data. Currently, all client transactions are executed via market on close ("MOC") orders. Arta utilizes MOC orders in an effort to mitigate some conflict of interest, as all clients transacting in a particular security will receive the same price. In addition, Arta may review MOC prices obtained against the volume-weighted average price (“VWAP”) to seek to determine whether MOC pricing meets best execution standards. In performing this review, Arta seeks to determine if execution was generally favorable over time. To the extent Arta may be paying higher commission rates for its transactions, Arta will determine if the quality of execution and the services provided by the broker/dealer justify these higher commissions. Arta may cease to do business with certain exchange members, brokers or dealers whose performance may not have been competitive or may demand that such persons improve their performance before receiving any further orders.

Directed Brokerage

Arta requires its clients to use a specified broker/dealer for portfolio transactions in their accounts. These brokers are the custodians who have been elected to maintain custody of client assets.

Cross Trades

Arta does not engage in cross transactions as a matter of policy.

Soft Dollars

Arta does not currently engage in soft dollar arrangements with its brokers or custodians.

Commission Sharing Arrangement

Arta does not currently engage in commission-sharing arrangements with its brokers or custodians.

Trade Aggregation and Trade Sequence

Arta may utilize individual account or block trading. Selection will seek to favor best client execution. Accounts are subject to constant, randomized algorithmic analysis in order to make appropriate transaction selections for each account. All transactions are then effected via MOC orders. In the event of a partial fill of a block order, we will prioritize based on each client’s variation from their AMP target allocations. In the event of a partial fill of an individual order, the imbalance will be removed next time we rebalance the account.

Initial Public Offerings

Arta does not offer investments in Initial Public Offerings to its clients at this time.

Trade Errors

Arta has established error correction procedures which provide that the resolution of errors be made in light of the Adviser's fiduciary duties and in placing an affected client's interest before that of the Firm. Trade errors are determined and reimbursed at Arta’s discretion. Any net gains will be allocated to the client’s account. Where the custodian/broker-dealer is the source of trade errors, Arta will seek reimbursement from such custodian/broker-dealer.

Arta Employee Investment Eligibility and Activity

Employees are eligible to hold accounts with Arta, including interests in private placement investments.

ITEM 13 REVIEW OF ACCOUNTS

Arta performs ongoing monitoring of client accounts through the multiple Algorithms, not less than annually. However, in circumstances where Arta has identified a discrepancy, an Arta employee will review such discrepancies and facilitate the reconciliation process with the custodian/ broker-dealer. Arta currently provides reports to clients only through its Platform. Statements are provided to clients by the Custodian on at least a quarterly basis, as described in Item 15.

ITEM 14 CLIENT REFERRALS AND OTHER COMPENSATION

Arta does not receive economic benefits from third-parties for providing investment recommendations for client referrals.

Arta does not utilize third-party solicitors for the purposes of obtaining new clients. Arta may occasionally compensate current clients for referrals as permitted by the Investment Advisers Act of 1940 Rule 206(4)-1.

ITEM 15 CUSTODY

Arta is deemed to have custody over client assets due to the nature of the money movement activities that Arta is able to conduct on behalf of certain clients. Arta has appointed an independent qualified custodian as its agent to hold custody of clients' funds and securities. Such custodians may be broker/dealers, banks, trust companies, or other qualified institutions. The qualified custodian will provide the client with at least quarterly account statements relating to the assets held within the account managed by Arta. Each client should carefully review the qualified custodian's statement upon receipt to determine that it completely and accurately states all holdings in the client's account and all account activity over the relevant period. Any discrepancies identified by a client should be immediately reported to Arta and/or the qualified custodian. Such questions, concerns, or discrepancies may be communicated to Arta by writing, e-mailing, or telephoning us at the contact information listed in "Item 1 – Cover Page" of this Brochure.

ITEM 16 INVESTMENT DISCRETION

Arta is typically granted discretionary authority by a client at the outset of an advisory relationship to determine the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives of each client account. When selecting securities and determining amounts of securities for purchase or sale, Arta observes the investment policies, limitations, and restrictions that are applicable to our clients' accounts, as set forth by our clients. Any investment guidelines and restrictions, including amendments, must be provided to Arta by our clients in writing. A client will typically grant Arta discretionary authority by executing an Investment Management Agreement, which includes, among other items, a statement giving Arta authority to invest the assets, which are identified by the client, in a manner consistent with the investment objectives and limitations delineated by the client, and to engage in transactions on a discretionary basis in the client Account.

As noted above, the Adviser also allows for self-directed accounts, which do not receive investment advice from Arta.

ITEM 17 VOTING CLIENT SECURITIES

Arta does not have authority to vote securities on behalf of clients and does not provide advice as to how clients should vote.

ITEM 18 FINANCIAL INFORMATION

Arta does not require or solicit prepayment of fees from clients and does not have any financial condition that would impair its ability to meet contractual commitments to clients.

ITEM 19 REQUIREMENTS FOR STATE-REGISTERED ADVISERS

This item is not applicable to Arta.