Item 1 - Introduction

AlphaClone Inc. is an investment adviser registered with the Securities and Exchange Commission offering advisory accounts and services. This document gives you a summary of the types of services and fees we offer. Please visit www.investor.gov/CRS for free, simple tools to research firms and for educational materials about broker-dealers, investment advisers, and investing.

Item 2 - Relationships & Services

Q: What investment services and advice can you provide me?

AlphaClone is a research and investment firm that specializes in leveraging publicly available information to derive investment strategies. AlphaClone's research approach compiles data primarily from public filings made with the SEC by hedge funds and other institutional investment managers. AlphaClone uses the data and its proprietary technology platform to develop rules-based investment strategies and indexes (the “strategies”). AlphaClone is in no way affiliated with the hedge funds or institutional investment managers who make such filings and any use of a specific filing by AlphaClone in one or more strategy is in no way intended to be an endorsement of the firm making the public filing. AlphaClone offers retail investors its strategies in two ways:

- Through separate accounts as part of a wrap fee program
- As Exchange-traded Funds (ETFs) for which a third-party act as the investment adviser

As part of our standard service to retail clients, our investment advice is limited to offering a number of Core Strategies. We monitor our strategies daily with security selection and rebalancing performed quarterly, 5-9 business days after hedge funds and institutional investors have filed their regulatory holdings disclosure (Form 13F-HR) with the SEC. We have full discretionary authority on client accounts with no material limitations. Security selection in our strategies is limited to equities listed on a US-exchange, including exchange traded funds and/or American Depository Receipts (ADRs). For our warp fee accounts, the minimum account size is $50,000. Please see our Firm Brochure and Core Strategies Wrap Fee Brochure for more information.

Questions You Should Ask Us

- Given my financial situation, should I choose an investment advisory service? Why or why not?
- How will you choose investments to recommend to me?
- What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?

Item 3 – Fees, Costs, Conflicts, and Standard of Conduct

Q: What fees will I pay?

Clients in AlphaClone's Core Strategies Wrap Fee Program incur a 1% per year asset-based fee. Asset-based fees associated with wrap fee programs like ours include most transaction costs and fees (i.e. commissions) to a broker-dealer or bank that has custody of these assets, and therefore can be higher than a typical asset-based advisory fee. The minimum annual fee per account is $250.00 and our fee is not negotiable. Our fees are computed and payable quarterly in advance during the first month of each calendar quarter and will be calculated based on the market value of the client account assets held on the last day of the prior quarter.

Our Core Strategies Wrap Program fees are designed to cover all client costs except costs incurred because of special requests for services not provided by the program such as if clients request money or other asset transfers to accounts outside the program. In addition, ETFs and other registered investment companies that may be included among a client’s holdings, charge separate fees and expenses as described in their prospectuses.

By charging an asset-based fee we are generally trying to align our interests with yours in that the fee you pay us will increase or decrease with the value of your account. However, it can also create a conflict of interests, here’s how. The value of your account is driven by both its performance and the size of your investment with us. This means that the larger your investment with us the more we make in fees, which may give us an incentive to encourage you to increase the amount of assets in your account.
FORM ADV PART 3
CLIENT RELATIONSHIP SUMMARY (JUNE 2020)

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. Please see our Firm Brochure for more information (specifically Item 5).

Questions You Should Ask Us

- Help me understand how these fees and costs might affect my investments. If I give you $10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

Q: What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?

When we act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means. Please see our Firm Brochure for more information.

- Proprietary Products. In some instances, we may recommend that you invest in one or more of our affiliated exchange-traded-funds such as the AlphaClone Alternative Alpha ETF (ALFA). This can create a conflict of interests since we receive asset-based fee compensation as the index provider to the fund. We therefore have an incentive to encourage you to invest in ALFA over similar products. To help address this conflict, advisory clients who are invested in an AlphaClone-affiliated fund pay an advisory fee that is lower than 1%/year.

Questions You Should Ask Us

- How might your conflicts of interest affect me, and how will you address them?

Q: How do your financial professionals make money?

We and our financial professionals make money primarily in two ways; a) we benefit from the advisory services we provide to you because of the advisory fees we receive from you and b) we receive compensation in the form of an asset-based fee from proprietary products with which we are affiliated (e.g., ALFA ETF). As described above, this may create an incentive for us to encourage you to invest in these funds over similar products. This compensation may vary based on different factors, such as those listed above in this Item. Please see our Firm Brochure for more information (specifically Item 10).

Item 4 – Disciplinary History

Q: Do you or your financial professionals have legal or disciplinary history?

No. You can visit https://www.investor.gov for a free, simple search tool to research us and our financial professionals.

Questions You Should Ask Us

- As a financial professional, do you have any disciplinary history? For what type of conduct?’’

Item 5 – Additional Information

You can access our Firm Brochure, our Core Strategies Wrap Fee Brochure and this Client Relationship Summary on our website or at https://adviserinfo.sec.gov/firm/brochure/152379. You can also contact us at 415-967-2532, we’d love to hear from you.

Questions You Should Ask Us

- Who is my primary contact person?
- Is he or she a representative of an investment adviser?
- Who can I talk to if I have concerns about how this person is treating me?
This Brochure provides information about the qualifications and business practices of AlphaClone, Inc. If you have any questions about the contents of this Brochure, please contact us at (415) 967-2532. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority. Additional information about AlphaClone Inc. is also available on the SEC’s website at www.adviserinfo.sec.gov

AlphaClone, Inc. is a registered investment adviser. Registration with the SEC or any state securities authority does not imply a certain level of skill or training.
Item 2 – Material Changes

This section of the Brochure addresses only those material changes that have been incorporated since our last annual update in February 2019.

- In November 2019 we announced that we reduced our wrap (all-in) fee for managed accounts from the previous maximum of 1.5% annually to a **1% annual flat fee**. All current managed account clients were automatically moved to the lower fee effective January 1, 2020. We also reducing the minimum investment required to open an account to $50,000 from $250,000.
- In November 2019, we also rebranded our AlphaClone Select core strategy as “AlphaClone SmartPilot”.
<table>
<thead>
<tr>
<th>Item</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Item 4</td>
<td>Advisory Business</td>
<td>4</td>
</tr>
<tr>
<td>Item 5</td>
<td>Fees and Compensation</td>
<td>5</td>
</tr>
<tr>
<td>Item 6</td>
<td>Performance-Based Fees and Side-by-Side Management</td>
<td>6</td>
</tr>
<tr>
<td>Item 7</td>
<td>Types of Clients</td>
<td>6</td>
</tr>
<tr>
<td>Item 8</td>
<td>Method of Analysis, Investment Strategies and Risk of Loss</td>
<td>6</td>
</tr>
<tr>
<td>Item 9</td>
<td>Disciplinary Information</td>
<td>9</td>
</tr>
<tr>
<td>Item 10</td>
<td>Other Financial Industry Activities and Affiliations</td>
<td>9</td>
</tr>
<tr>
<td>Item 11</td>
<td>Code of Ethics, Participation or Interest in Client Transactions and Personal Trading</td>
<td>10</td>
</tr>
<tr>
<td>Item 12</td>
<td>Brokerage Practices</td>
<td>10</td>
</tr>
<tr>
<td>Item 13</td>
<td>Review of Accounts</td>
<td>11</td>
</tr>
<tr>
<td>Item 14</td>
<td>Client Referrals and Other Compensation</td>
<td>12</td>
</tr>
<tr>
<td>Item 15</td>
<td>Custody</td>
<td>12</td>
</tr>
<tr>
<td>Item 16</td>
<td>Investment Discretion</td>
<td>12</td>
</tr>
<tr>
<td>Item 17</td>
<td>Voting Client Securities</td>
<td>13</td>
</tr>
<tr>
<td>Item 18</td>
<td>Financial Information</td>
<td>13</td>
</tr>
</tbody>
</table>
Item 4 – Advisory Business

AlphaClone is a registered investment adviser based in San Francisco, CA. The Firm is organized as a California limited liability company and has been providing advisory services since 2010.

AlphaClone is a research and investment firm that specializes in leveraging publicly available information to derive investment strategies. AlphaClone's research approach compiles data primarily from public filings made with the SEC by hedge funds and other institutional investment managers. AlphaClone uses the data and its proprietary technology platform to develop rules-based investment strategies and indexes (the “strategies”). AlphaClone is in no way affiliated with the hedge funds or institutional investment managers who make such filings and any use of a specific filing by AlphaClone in one or more strategy is in no way intended to be an endorsement of the firm making the public filing.

AlphaClone offers its strategies in several ways:

- As the index provider to Exchange-traded Funds (ETFs) for which a third-party acts as the investment adviser,
- To individual investors through separate accounts as part of a wrap fee program,
- To other financial advisory firms by way of index licensing.

Index Licensing

We license our intellectual property for use by third parties, including exchange traded funds for a fee. Our services generally include the development of indexes for a licensee’s use. AlphaClone is the index provider for the AlphaClone Alternative Alpha ETF for which Exchange Traded Concepts LLC acts as the investment advisor. The ETF seeks to track the AlphaClone Hedge Fund Masters Index before fees and expenses.

The AlphaClone Alternative Alpha ETF is a series of the ETF Series Solution Trust (“ESS Trust”), a Delaware statuary trust. The ESS Trust is a registered open-end management investment company under the Investment Company Act of 1940, as amended. Potential investors in the ETFs above should review that ETF's prospectus before deciding whether to invest.

Core Strategies Wrap Fee Program

AlphaClone serves as the sponsor and investment adviser for the Core Strategies Wrap Fee Program. In this Program, AlphaClone will assist qualified clients in selecting one or more appropriate AlphaClone Core Strategies, taking into account their financial situation and investment objectives. AlphaClone will allow reasonable investment restrictions if they do not differ materially from a strategy’s investment objectives. AlphaClone’s role is to manage the client’s account according to the strategy or strategies selected. AlphaClone receives between 75% and 83% of the wrap fee for providing these strategies. Clients who impose investment restrictions should be aware that the performance of their accounts may differ from that of the investment strategies.
Types of Investments

In each of our investment strategies, we generally recommend equities, exchange traded funds and/or American Depository Receipts (ADRs), securities of foreign companies trading on a US-exchange.

Assets Under Management

As of December 31, 2019, AlphaClone managed approximately $5 million in regulatory assets under management, all on a discretionary basis. In addition, licensees of AlphaClone managed approximately $27 million.

Item 5 – Fees and Compensation

Core Strategies Wrap Fee Program

AlphaClone's Core Strategies Wrap Fee Program is fee based. Core Strategies Wrap Fee Program fees are not negotiable. AlphaClone retains between 85% and 90% of the Program's total fees as its portfolio management fee. Clients do not generally incur separate brokerage commissions. AlphaClone charges an asset-based flat fee of 1% per year, charged quarterly in advance. The minimum annual fee per account is $250.00

Our Core Strategies Wrap Program fees are computed and payable quarterly in advance during the first month of each calendar quarter and will be calculated based on the market value of the client account assets held on the last day of the prior quarter. The fee for the calendar quarter in which assets were first deposited into the account will be based on the market value of the account assets on the day the assets were deposited in the account and prorated for the number of days the account was open during the quarter. If the account is terminated prior to the end of a quarter, the fee for that quarter will be prorated for the number of days the account was open during that quarter and any overpayment, net of charges by the program's custodian to AlphaClone for the quarter, will be returned to client following the closing of the account. Fees are not negotiable.

Our Core Strategies Wrap Program fees are designed to cover all client costs except costs incurred because of special requests for services not provided by the program. For example, the program provides for electronic delivery of documents. If a client requests paper copies of documents, a separate charge will be imposed for that service. Similarly, separate charges may be imposed if clients request money or other asset transfers to accounts outside the program. In addition, ETFs and other registered investment companies that may be included among a client’s holdings, charge separate fees and expenses as described in their prospectuses.

Clients may be able to purchase services similar to those offered under the Program from other service providers either separately or as part of a similar wrap fee program. These services or
programs may cost more or less than the Program, depending on the fees charged by such other service providers.

Item 6 – Performance-Based Fees and Side-by-Side Management

Performance-Based Fees

AlphaClone does not charge fees based on performance or the net profits of the assets being managed.

Side-By-Side Management

AlphaClone simultaneously manages the portfolios of the separately accounts, including wrap fee programs according to the same or similar investment strategy (i.e. side-by-side management). The simultaneous management of these different investment products creates certain conflicts of interest, as the fees for the management of certain types of products are higher than others. Nevertheless, when managing the assets of such accounts, AlphaClone has an affirmative duty to treat all such accounts fairly and equitably over time.

Although AlphaClone has a duty to treat all portfolios within an investment strategy fairly and equitably over time, such portfolios will not necessarily be managed the same at all times. Specifically, there is no requirement that AlphaClone use the same investment practices consistently across all portfolios. AlphaClone will not necessarily purchase or sell the same securities at the same time or in the same proportionate amounts for all eligible portfolios, and a client’s performance will not necessarily be reflective of the performance of a separate account, including a wrap account, managed using a similar strategy, due to a variety of factors including differences in cash flows and the timing of trading. As a result, although AlphaClone manages multiple portfolios with similar or identical 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 portfolio to portfolio.

Item 7 – Types of Clients

We offer investment advisory services to individuals and institutions including corporate pension and profit-sharing plans and charitable institutions. In general, we require a minimum account size of $50,000 for individuals who wish to participate in one of our Wrap Fee Programs. At our discretion, we may waive this minimum account size. The Firm may also combine account values for you and your children, joint accounts with your spouse, and other types of related accounts to meet the stated minimum. The Firm has the right to terminate your account if it falls below a minimum size which, in our sole opinion, is too small to effectively manage. AlphaClone requires that all prospective clients complete a suitability questionnaire and if applicable an account application.

Item 8 - Method of Analysis, Investment Strategies and Risk of Loss
Method of Analysis

AlphaClone's investment methodology leverages hedge fund and institutional investment manager SEC public disclosure filings to discern a manager's disclosed holdings at the end of each quarter. AlphaClone's core strategies are all quantitative rules-based investment strategies that seek to replicate the positions disclosed in the above filings by a group of investment managers and/or hedge funds selected by the Firm. AlphaClone offers several investment strategies to clients, including many based on the Firm's Clone Score methodology – a proprietary ranking method developed by AlphaClone to measure the efficacy of following a manager's disclosed holdings over time. Strategy construction including manager and security selection, constituent weighting and, when applicable, hedging is entirely rules-based and rebalanced quarterly.

Investment Strategies - Indexes

AlphaClone Hedge Fund Masters Index
The AlphaClone Hedge Fund Masters Index seeks to outperform the S&P 500 Index by following the disclosed holdings of managers with the highest Clone Score - a proprietary ranking method developed by AlphaClone to measure the efficacy of following a manager's disclosed holdings over time.

AlphaClone International Index
The AlphaClone International Index seeks to outperform the MSCI EAFE Index by following the disclosed ADR holdings of managers with the highest Clone Score - a proprietary ranking method developed by AlphaClone to measure the efficacy of following a manager's disclosed holdings over time.

Investment Strategies – Core Strategies

AlphaClone SmartPilot
The AlphaClone SmartPilot strategy seeks to outperform the S&P 500 Index by following the high conviction holdings of managers with the highest Clone Score - a proprietary ranking method developed by AlphaClone to measure the efficacy of following a manager's disclosed holdings over time. The strategy is available as both dynamically hedged or long only.

AlphaClone International
The AlphaClone International strategy seeks to outperform the MSCI All-Country ex-US Index by following the high conviction ADR holdings of managers with the highest Clone Score – a proprietary ranking method developed by AlphaClone to measure the efficacy of following a manager’s disclosed holdings over time. The strategy is available as both dynamically hedged or long only.

AlphaClone Activist Masters
The AlphaClone Activist Masters strategy seeks to outperform the S&P 500 Index by following the disclosed holdings of activist managers with the highest Clone Score - a proprietary ranking method developed by AlphaClone to measure the efficacy of following a manager’s disclosed holdings over time.
AlphaClone Value Masters
The AlphaClone Value Masters strategy seeks to outperform the S&P 500 Index by following the disclosed holdings of value managers with the highest Clone Score - a proprietary ranking method developed by AlphaClone to measure the efficacy of following a manager’s disclosed holdings over time.

Material Risks

These strategies and investments involve risk of loss and clients must be prepared to bear the loss of their entire investment. The following risks could affect the value of your investment:

Derivatives Investment Risk: The strategies may invest in derivatives or in investment vehicles such as Exchange-Traded Funds that include derivatives as part of the underlying constituents. Derivatives are financial instruments that derive their performance from an underlying reference asset, such as an index, security or interest rate. The return on a derivative instrument may not correlate with the return of its underlying reference asset. Derivatives are subject to a number of risks, such as credit risk, interest rate risk, and market risk. Derivatives can be volatile and may be less liquid than other securities. As a result, the value of an investment in a strategy may change quickly and without warning and you may lose money.

Early Close/Trading Halt Risk: An exchange or market may close or issue trading halts on specific securities, or the ability to buy or sell certain securities or financial instruments may be restricted, which may result in the our being unable to buy or sell certain securities or financial instruments. In such circumstances, we may be unable to rebalance your portfolio, may be unable to accurately price its investments and/or may incur substantial trading losses.

Equity Securities Risk: Investments in publicly issued equity securities, including common stocks, in general are subject to market risks that may cause their prices to fluctuate over time. Fluctuations in the value of equity securities in which the strategies invest will cause the value of your investment to fluctuate.

Market Risk: The prices of the securities in which the strategies invest may decline for a number of reasons including in response to economic developments and perceptions about the creditworthiness of individual issuers.

MLP Risk: Investments in securities of MLPs involve risks that differ from an investment in common stock. Holders of the units of MLPs have more limited control and limited rights to vote on matters affecting the partnership. There are also certain tax risks associated with an investment in units of MLPs. In addition, conflicts of interest may exist between common unit holders, subordinated unit holders and the general partner of a MLP, including a conflict arising as a result of incentive distribution payments.

Non-Diversification Risk: The strategies may be non-diversified and may invest a larger percentage of its assets in securities of a few issuers or a single issuer than that of a diversified fund. As a result, the strategy's performance may be disproportionately impacted by the performance of relatively few securities.
**REIT Risk:** REITs may be affected by changes in the value of their underlying properties or mortgages or by defaults by their borrowers or tenants. Furthermore, these entities depend upon specialized management skills, have limited diversification and are, therefore, subject to risks inherent in financing a limited number of projects. In addition, the performance of a REIT may be affected by changes in the tax laws or by its failure to qualify for tax-free pass-through of income.

**Shorting Risk:** The strategies may engage in short sales or similar techniques designed to earn a profit from the decline in the price of particular securities. However, there is a risk that the strategy will experience a loss as a result of engaging in such short sales.

**Fundamental Analysis:** The strategies rely in large part on the ability to access hedge fund and institutional investment manager public disclosures through Form 13F-HR in order to identify the constituents of each strategy. Inability to access Form 13F-HR as currently defined by the SEC for extended periods of time for either technical or regulatory reasons could render AlphaClone unable to implement any or all strategies going forward.

**Cyclical Analysis:** Economic/business cycles may not be predictable and may have many fluctuations between long term expansions and contractions. The lengths of economic cycles may be difficult to predict with accuracy and therefore the risk of cyclical analysis is the difficulty in predicting economic trends and consequently the changing value of securities that would be affected by these changing trends.

**Recommendations of Particular Types of Securities:** Exchange traded funds (“ETFs”) are professionally managed pooled vehicles that invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities or any combination thereof. ETFs’ managers trade fund investments in accordance with fund investment objectives. While ETFs generally provide diversification, risks can be significantly increased for funds concentrated in a particular sector of the market, or that primarily invest in small cap or speculative companies, use leverage (i.e., borrow money) to a significant degree, or concentrate in a particular type of security (i.e., equities) rather than balancing the fund with different types of securities. ETFs can be bought and sold throughout the day like stock and their price can fluctuate throughout the day. During times of extreme market volatility, ETF pricing may lag versus the actual underlying asset values. This lag usually resolves itself in a short period of time (usually less than one day), however, there is no guarantee this relationship will always occur.

**Key Man Risk:** the success of the strategies depends to a great extent on the investment skills of the investment manager and its principals. Performance could be adversely affected if, because of illness or other factors, their services were not available for any significant period of time.

**Item 9 - Disciplinary Information**

Neither the Firm nor any of our employees has any reportable disciplinary information.

**Item 10 – Other Financial Industry Activities and Affiliations**
AlphaClone has entered into a licensing agreement with Exchange Traded Concepts LLC (ETC) to license one of its index strategies in connection with management of an exchange-traded fund.

In regards to the public filings utilized by AlphaClone's investment methodology, AlphaClone is in no way affiliated with the hedge funds or institutional investment managers who make such public disclosure filings and any use of a specific filing by AlphaClone in one or more core strategies is in no way intended to be an endorsement of the firm making the public filing.

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

AlphaClone and its employees may not buy or sell securities recommended to clients except in accordance with procedures intended to avoid conflicts of interest with clients. Securities transactions by AlphaClone and its employees may not be effected on the same day as transactions it makes for its clients except at prices equal to or inferior the prices at which it buys or sells the securities for its clients. AlphaClone maintains records of all securities securities transactions made for its own account and requires its employees to report their securities transactions to AlphaClone within thirty days of the end of each calendar quarter.

AlphaClone and/or its representatives may buy or sell for their personal account(s) investment products identical to those recommended to clients. AlphaClone also reserves the right for it and its employees to buy or sell securities of issuers of which it or its affiliates are officers or directors or otherwise have a financial interest. It is the general policy of AlphaClone that neither it nor its representatives may purchase or sell any individual security prior to a transaction(s) being implemented for an advisory account. This policy is meant to prevent AlphaClone and/or its representatives from benefiting as a result of transactions placed on behalf of advisory accounts. In no case, shall AlphaClone’s representatives prefer their own interest to that of their advisory clients.

In accordance with Section 204A of the Investment Advisers Act of 1940, Advisor also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by Advisor. A copy of the Code of Ethics will be provided to any client or prospective client upon request.

**Item 12 – Brokerage Practices**

AlphaClone has complete discretion in selecting the broker that it uses for client transactions and the commission rates that clients pay such brokers. AlphaClone's relationship with brokers it selects may include benefits provided to the Firm, including but not limited to, administrative services that help the Firm manage client account(s). We believe that recommended broker-dealers provide quality execution services for our clients at competitive prices. Price is not the sole factor we consider in evaluating best execution. We also consider the quality of the brokerage services provided by recommended broker-dealers, including the firm’s reputation, execution capabilities, commission rates, and responsiveness to our clients and the Firm.
For Core Strategies Wrap Fee Program participants, AlphaClone has established brokerage accounts with Folio Institutional (“Folio”) to maintain custody of assets and to effect trades for their accounts. Within a wrap-fee arrangement, a client pays a single fee that covers the management fee and the broker’s execution costs of all portfolio transactions. The wrap fee covers all advisory, administrative and brokerage services provided by AlphaClone or Folio, but does not include fees for special services such as, for example, wire transfer fees.

Brokers for Client Referrals

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

Trade Aggregation/Allocation

We may combine multiple orders for shares of the same securities purchased for advisory accounts we manage. We will then distribute a portion of the shares to participating accounts in a fair and equitable manner. We do this to ensure to the extent possible that our clients receive optimal execution and consistent results across our client base. The distribution of the shares purchased is typically proportionate to the size of the account, and is not based on account performance or the amount or structure of management fees. Subject to our discretion regarding factual and market conditions, when we combine orders, each participating account pays an average price per share for all transactions and pays a proportionate share of all transaction costs. Accounts owned by the Firm or persons associated with the Firm may participate with your accounts in aggregated orders; however, they will not be given preferential treatment.

Directed Brokerage

If a separate account client directs AlphaClone to use a specific broker, AlphaClone has not negotiated the terms and conditions (including, among others, commission rates) relating to the services provided by such broker. AlphaClone is not responsible for obtaining from any such broker the best prices or particular commission rates. A separate account client that directs AlphaClone to use a specific broker may not be able to participate in aggregate securities transactions and may trade after such aggregate transactions and receive less favorable pricing and execution. The client may pay higher commissions and mark-ups than it would pay if AlphaClone had discretion to select broker-dealers other than those that the client chooses.

Item 13 - Review of Accounts

Mazin Jadallah serves as AlphaClone’s chief executive officer and is the key member of the firm. He manages the investment process and client relations and is responsible for compliance. Mr. Jadallah conducts at least annual reviews of all client accounts. Each client account receives from their custodians on at least a monthly basis, detailed statements showing the market value of holdings in the accounts as well as the transaction activity, interest and dividends for the reporting period.
Education, Business Background and Standards

Mazin Jadallah

Y.O.B: 1969

Education
Texas Tech University, Lubbock, TX - 1992, Bachelors of Science, Industrial Engineering

Business Background for the last 5 years
Time Warner Inc., New York, NY
10/98 to 10/01 – Executive Director, Corporate
10/01 to 7/04 – Vice President, Corporate Development, Time Warner Interactive Video Group

Open TV Inc., San Francisco, CA
7/04 to 3/07 – Senior Vice President, Strategic Development

AlphaClone Inc., San Francisco, CA
12/07 to current – Founder and CEO, 01/2010 to current – CEO & Chief Compliance Officer

Item 14 – Client Referrals and Other Compensation

Currently, we do not have any third party referral relationships.

Item 15 - Custody

We may directly debit client account(s) for the payment of our advisory fees. We do not have physical custody of any client funds and/or securities. Funds and securities will be held with a bank, broker-dealer, or other independent, qualified custodian. Clients receive account statements from the independent, qualified custodian(s) holding their funds and securities monthly. The account statements from custodian(s) will indicate the amount of our advisory fees deducted from the account(s) each billing period. Clients should carefully review account statements for accuracy.

If you have a question regarding your account statement or if you did not receive a statement from your custodian, please contact AlphaClone Client Service at 415-967-2532.

Item 16 - Investment Discretion

Before we can buy or sell securities, a client must first sign a discretionary investment advisory agreement and/or a power of attorney.

Clients grant the Firm discretion over the selection and amount of securities to be purchased or sold without obtaining consent or approval prior to each transaction. Certain clients may impose
investment restrictions. Please refer to Item 4. Advisory Business in this Brochure for more information on our discretionary management services.

We provide our strategies on a non-discretionary basis to financial advisors when they deem them appropriate for their clients.

**Item 17 - Voting Client Securities**

With respect to ETFs where AlphaClone Inc. serves as the adviser, the ETFs have delegated proxy voting responsibilities to the Adviser, subject to the oversight of the ESS Trust Board (the “Trust Board”). In delegating proxy responsibilities, the Trust Board has directed that proxies be voted consistent with each ETF’s and its shareholders’ best interests and in compliance with all applicable proxy voting rules and regulations. AlphaClone has adopted proxy voting policies and guidelines for this purpose (“Proxy Voting Policies”) and has engaged a third-party proxy solicitation firm to assist with voting proxies in a timely manner.

Wrap fee and separate account clients, not AlphaClone, shall be responsible for voting all proxies; executing waivers, consents and other instruments; and responding to any plan of reorganization, merger, combination, consolidation, liquidation or similar transaction or plan with respect to any securities in the wrap fee account. AlphaClone shall not be obligated to render any advice or take any action on behalf of client with respect to securities held in the account, nor shall AlphaClone be obligated to initiate or pursue any legal proceedings, including without limitation, shareholder litigation, on behalf of the account. The right to take any actions with respect to any legal proceedings, including, without limitation, bankruptcies and shareholder litigation, and the right to initiate or pursue any legal proceedings, including, without limitation, shareholder litigation, with respect to transactions, securities or other investments held in the account is expressly reserved to client.

The wrap fee or separate account broker shall deliver to client all shareholder communications, including proxy statements and proxies, distributed by the issuers of Securities held in the Account. Clients can obtain a copy of AlphaClone’s proxy voting policies and procedures upon request.

**Item 18. Financial Information**

There is no information applicable to this item.
This brochure provides clients with information about AlphaClone, Inc. ("AlphaClone") and AlphaClone’s Core Strategies Wrap Fee Program (the “Program”). You should consider the information in this brochure carefully before becoming a Program client. Please note that this information has not been approved or verified by any governmental authority.
Item 2 – Material Changes

Our previous Wrap Free Program Brochure was dated February 2019.

We will deliver an updated AlphaClone Core Strategies Wrap Fee Program Brochure annually to wrap fee program clients, together with a summary of material changes, within 120 days of the close of our fiscal year. You may request a copy of this Wrap Fee Program Brochures by contacting AlphaClone at (415) 967-2532 or by e-mailing contact@alphaclone.com. Our Firm Brochure is also available on our web site at www.alphaclone.com.
Item 3 - Table of Contents

Item 1 – Wrap Fee Program Brochure Cover Page ................................................................. 1
Item 2 – Material Changes ........................................................................................................ 2
Item 3 - Table of Contents ...................................................................................................... 3
Item 4 - Services, Fees and Compensation ........................................................................... 4
Item 5 - Account Requirements and Types of Clients ............................................................ 4
Item 6 - Portfolio Manager Selection and Evaluation ............................................................ 5
  Advisory Business ................................................................................................................ 5
  Method of Analysis, Investment Strategies and Risk of Loss ................................................. 5
  Voting Client Securities ....................................................................................................... 6
Item 9 - Additional Information ............................................................................................. 6
  Code of Ethics, Participation or Interest in Client Transactions and Personal Trading ....... 6
  Review of Accounts ............................................................................................................ 7
  Education, Business Background and Standards ................................................................. 8
  Other Business Activities .................................................................................................... 8
**Item 4 - Services, Fees and Compensation**

AlphaClone is a research and investment firm that specializes in leveraging publicly available information to derive investment strategies. AlphaClone's research approach compiles data primarily from public filings made with the SEC by hedge funds and other institutional investment managers. AlphaClone uses the data and its proprietary technology platform to develop rules-based investment strategies and indexes (the “strategies”). AlphaClone is in no way affiliated with the hedge funds or institutional investment managers who make such filings and any use of a specific filing by AlphaClone in one or more strategy is in no way intended to be an endorsement of the firm making the public filing.

AlphaClone serves as the sponsor and investment adviser for the Core Strategies Wrap Fee Program. In this Program, AlphaClone will assist qualified clients in selecting one or more appropriate AlphaClone Core Strategies, considering their financial situation and investment objectives. AlphaClone will allow reasonable investment restrictions if they do not differ materially from a strategy’s investment objectives. AlphaClone’s role is to manage the client’s account according to the strategy or strategies selected. AlphaClone receives between 85% and 90% of the wrap fee for providing these strategies. Clients who impose investment restrictions should be aware that the performance of their accounts may differ from that of the investment strategies.

AlphaClone's Core Strategies Wrap Fee Program is fee based. Core Strategies Wrap Fee Program fees are not negotiable. AlphaClone retains between 85% and 90% of the Program's total fees as its portfolio management fee. Clients do not generally incur separate brokerage commissions. AlphaClone charges an asset-based flat fee of 1% per year, charged quarterly in advance. The minimum annual fee per account is $250.00.

Our Core Strategies Wrap Program fees are computed and payable quarterly in advance during the first month of each calendar quarter and will be calculated based on the market value of the client account assets held on the last day of the prior quarter. The fee for the calendar quarter in which assets were first deposited into the account will be based on the market value of the account assets on the day the assets were deposited in the account and prorated for the number of days the account was open during the quarter. If the account is terminated prior to the end of a quarter, the fee for that quarter will be prorated for the number of days the account was open during that quarter and any overpayment, net of charges by the program's custodian to AlphaClone for the quarter, will be returned to client following the closing of the account. Fees are not negotiable.

Our Core Strategies Wrap Program fees are designed to cover all client costs except costs incurred because of special requests for services not provided by the program. For example, the program provides for electronic delivery of documents. If a client requests paper copies of documents, a separate charge will be imposed for that service. Similarly, separate charges may be imposed if clients request money or other asset transfers to accounts outside the program. In addition, ETFs and other registered investment companies that may be included among a client’s holdings, charge separate fees and expenses as described in their prospectuses.

Clients may be able to purchase services similar to those offered under the Program from other service providers either separately or as part of a similar wrap fee program. These services or programs may cost more or less than the Program, depending on the fees charged by such other service providers.

**Item 5 - Account Requirements and Types of Clients**

This Program is designed to provide investment advisory services to individuals, pension and profit-sharing plans, trusts, estates, charitable organizations and business entities who meet AlphaClone’s suitability requirements. The Program requires that the client complete a suitability questionnaire and if applicable an account application. Clients approved for an account must maintain a securities brokerage
and custody account with Folio Investments Inc., the Wrap Fee Broker. AlphaClone selected the Wrap Fee Broker on the basis of services it provides to AlphaClone’s clients and the fees it charges to AlphaClone. Except for discretionary services not contemplated by the Wrap Fee Broker’s account agreement, none of the Wrap Fee Broker’s charges are paid by AlphaClone’s clients. A minimum of $50,000 initial investment is required to open an account. Fees are non-negotiable for wrap fee accounts.

Item 6 - Portfolio Manager Selection and Evaluation

Advisory Business
AlphaClone is a registered investment adviser based in San Francisco, CA. The Firm is organized as a California limited liability company and has been providing advisory services since 2010.

AlphaClone is a research and investment firm that specializes in leveraging publicly available information to derive investment strategies. AlphaClone's research approach compiles data primarily from public filings made with the SEC by hedge funds and other institutional investment managers. AlphaClone uses the data and its proprietary technology platform to develop rules-based investment strategies and indexes (the “strategies”). AlphaClone is in no way affiliated with the hedge funds or institutional investment managers who make such filings and any use of a specific filing by AlphaClone in one or more strategy is in no way intended to be an endorsement of the firm making the public filing.

AlphaClone offers its strategies in several ways:

- As the index provider to Exchange-traded Funds (ETFs) for which a third-party acts as the investment adviser,
- To individual investors through separate accounts as part of a wrap fee program,
- To other financial advisory firms by way of index licensing.

Method of Analysis, Investment Strategies and Risk of Loss
In the AlphaClone Core Strategies Wrap Fee Program, AlphaClone will assist qualified clients in selecting one or more appropriate AlphaClone Core Strategies, considering their financial situation and investment objectives. AlphaClone will allow reasonable investment restrictions if they do not differ materially from a strategy’s investment objectives. AlphaClone’s role is to manage the client’s account according to the strategy or strategies selected. AlphaClone receives between 85% and 90% of the wrap fee for providing these strategies. Clients who impose investment restrictions should be aware that the performance of their accounts may differ from that of the investment strategies.

AlphaClone compiles securities holdings data primarily from public disclosure filings made with the Securities and Exchange Commission by hedge funds and other institutional investment managers. AlphaClone uses the holdings data to construct and backtest core investment strategies made up of US-exchange traded marketable securities including ADRs. AlphaClone makes investments for its clients based on the client’s selection of one or more of the core strategies.

AlphaClone Core Strategies include the following:

AlphaClone SmartPilot
The AlphaClone SmartPilot (formerly AlphaClone Select) strategy seeks to outperform the S&P 500 Index by following the high conviction holdings of managers with the highest Clone Score - a proprietary ranking method developed by AlphaClone to measure the efficacy of following a manager's disclosed holdings over time. The strategy is available as both dynamically hedged or long only.

AlphaClone International
The AlphaClone International strategy seeks to outperform the MSCI All-Country ex-US Index by following the high conviction ADR holdings of managers with the highest Clone Score – a proprietary
ranking method developed by AlphaClone to measure the efficacy of following a manager’s disclosed holdings over time. The strategy is available as both dynamically hedged or long only.

**AlphaClone Activist Masters**
The AlphaClone Activist Masters strategy seeks to outperform the S&P 500 Index by following the disclosed holdings of activist managers with the highest Clone Score - a proprietary ranking method developed by AlphaClone to measure the efficacy of following a manager’s disclosed holdings over time.

**AlphaClone Value Masters**
The AlphaClone Value Masters strategy seeks to outperform the S&P 500 Index by following the disclosed holdings of value managers with the highest Clone Score - a proprietary ranking method developed by AlphaClone to measure the efficacy of following a manager’s disclosed holdings over time.

To the extent that any client account is invested in marketable securities, such investments are not deposits or obligations of and are not guaranteed by AlphaClone or its affiliates. Such investments involve investment risks, including possible loss of principal amount invested which clients should be prepared to bear.

**Voting Client Securities**
Client, not AlphaClone, shall be responsible for voting all proxies; executing waivers, consents and other instruments; and responding to any plan of reorganization, merger, combination, consolidation, liquidation or similar transaction or plan with respect to any securities in the wrap fee account. AlphaClone shall not be obligated to render any advice or take any action on behalf of client with respect to securities held in the account, nor shall AlphaClone be obligated to initiate or pursue any legal proceedings, including without limitation, shareholder litigation, on behalf of the account. The right to take any actions with respect to any legal proceedings, including, without limitation, bankruptcies and shareholder litigation, and the right to initiate or pursue any legal proceedings, including, without limitation, shareholder litigation, with respect to transactions, securities or other investments held in the account is expressly reserved to client. The Wrap Fee Broker shall deliver to Client all shareholder communications, including proxy statements and proxies, distributed by the issuers of Securities held in the Account. Clients can obtain a copy of AlphaClone’s proxy voting policies and procedures upon request.

**Item 9 - Additional Information**

**Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**
AlphaClone and its employees may not buy or sell securities recommended to clients except in accordance with procedures intended to avoid conflicts of interest with clients. Securities transactions by AlphaClone and its employees may not be affected on the same day as transactions it makes for its clients except at prices equal to or inferior the prices at which it buys or sells the securities for its clients. AlphaClone maintains records of all securities transactions made for its own account and requires its employees to report their securities transactions to AlphaClone within thirty days of the end of each calendar quarter.

AlphaClone and/or its representatives may buy or sell for their personal account(s) investment products identical to those recommended to clients. AlphaClone also reserves the right for it and its employees to buy or sell securities of issuers of which it or its affiliates are officers or directors or otherwise have a financial interest. It is the general policy of AlphaClone that neither it nor its representatives may purchase or sell any individual security prior to a transaction(s) being implemented for an advisory account. This policy is meant to prevent AlphaClone and/or its representatives from benefiting as a result of transactions placed on behalf of advisory accounts. In no case, shall AlphaClone’s representatives prefer their own interest to that of their advisory clients.
In accordance with Section 204A of the Investment Advisers Act of 1940, Advisor also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by Advisor. A copy of the Code of Ethics will be provided to any client or prospective client upon request.

**Review of Accounts**
Mazin Jadallah serves as AlphaClone’s chief executive officer and is the key member of the firm. He manages the Program, the investment process and client relations. He is responsible for compliance. He conducts at least annual reviews of all client accounts. Any other investment adviser representatives that may be employed by AlphaClone will be required to have at least a graduate level degree and at least three years relevant financial analysis, portfolio management, financial research or client management experience before they can provide investment advice to clients.
Education, Business Background and Standards

Mazin Jadallah

Y.O.B: 1969

Education
Texas Tech University, Lubbock, TX - 1992, Bachelors of Science, Industrial Engineering

Business Background for the last 5 years
Time Warner Inc., New York, NY
10/98 to 10/01 – Executive Director, Corporate
10/01 to 7/04 – Vice President, Corporate Development, Time Warner Interactive Video Group

Open TV Inc., San Francisco, CA
7/04 to 3/07 – Senior Vice President, Strategic Development

AlphaClone, Inc., San Francisco, CA
12/07 to current – Founder and CEO,
01/10 to current – Chief Compliance Officer

Other Business Activities

We license our intellectual property for use by third parties, including mutual funds, exchange traded funds and index providers for a fee. Licensees may use our intellectual property to develop investment strategies for managing accounts. In addition, services may include the development of model portfolios and indexes for a licensee’s use.

AlphaClone expects to devote approximately 50% of its time to these activities.