



Form ADV Part 2A – Appendix 1

("Wrap Fee Program Brochure")

Effective: August 14, 2026

This Form ADV Part 2A – Appendix 1 ("Wrap Fee Program Brochure") provides information about the qualifications and business practices of Arax Advisory Partners, LLC ("Arax" or the "Firm"). If you have any questions regarding the contents of this Wrap Fee Program Brochure, please contact compliance@araxadvisorypartners.com. The information in this Wrap Fee Program Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Arax is a registered investment adviser with the U.S. Securities and Exchange Commission. Registration with the SEC or any state securities authority does not imply a certain level of skill or training. Additional information about Arax is available on the SEC's website at <https://adviserinfo.sec.gov/> by searching with Arax's firm name or CRD# 133535.

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Item 2 – Material Changes

Form ADV Part 2 – Appendix 1 requires registered investment advisors to amend their wrap fee program brochure when information becomes materially inaccurate. If an adviser is filing an annual updating amendment and there are any material changes to an adviser's wrap fee program brochure, the adviser is required to notify you and provide you with a description of the material changes.

Material Changes

This Wrap Fee Program Brochure has been materially updated to reflect the acquisition of Transcend Capital Advisors, LLC ("Transcend") by Arax Advisory Partners, LLC ("Arax" or the "Firm"), effective July 31, 2026 (the "Effective Date"), and to describe the Firm's affiliation with Air Capital Partners (Bahamas) Limited ("Air Cap").

Acquisition of the Wrap Fee Program Sponsor

Effective July 31, 2026, Transcend was acquired by and merged into Arax. As a result of this transaction:

Arax Advisory Partners, LLC is the surviving SEC-registered investment adviser and is the sponsor of the wrap fee program described in this Brochure.

Transcend no longer operates as a separate registered investment adviser. The business will continue to hold itself out as "Transcend Capital Advisors" for a period of time pursuant to a "doing business as" (DBA) filing by Arax. All advisory services previously provided through Transcend, including the wrap fee program, are now provided by Arax. The investment personnel who previously provided services through Transcend continue to provide those services through Arax, and continue to manage the wrap fee program, now subject to the oversight of the Arax Investment Committee.

Impact on Clients As a result of the Arax transaction

Advisory Relationships: Clients previously served by Transcend have been transitioned to Arax as their investment adviser.

Services: Arax continues to offer substantially similar wrap fee program services, although certain service offerings, systems, and supervisory processes will be integrated or enhanced following the acquisition (see Item 4 – Services, Fees and Compensation).

Fees: There are no material changes to the wrap fee program fees charged to clients as a result of this transaction (see Item 4 – Services, Fees and Compensation).

Client Agreements and Consent: To the extent the acquisition results in an assignment of a client's advisory agreement, Arax is obtaining client consent to the assignment in accordance with the terms of the applicable advisory agreements and the Investment Advisers Act of 1940. Clients are being notified of the transaction.

Custody: Client custodial and brokerage accounts remain with the same qualified custodians, and there will be no change to client account numbers as a result of the transaction.

Ownership and Control

The transaction resulted in changes to the ownership and legal structure of the advisory business. Arax is now the single consolidated advisory entity responsible for the wrap fee program. Updated information regarding ownership, control persons, and affiliations is provided in Item 9 – Additional Information.

Affiliation with Air Capital Partners (Bahamas) Limited

Air Capital Partners (Bahamas) Limited ("Air Cap") is an affiliate of Arax under common control. Air Cap is registered with the Securities Commission of The Bahamas, effective December 23, 2025, and provides services to clients in The Bahamas. Air Cap is not registered with the U.S. Securities and Exchange Commission and is not merging with or into Arax. Air Cap remains a separate legal entity and a separate firm. As of the date of this Brochure, Air Cap has no clients and no assets under management.

The affiliation with Air Cap does not change the sponsorship, management, services, fees, custodial arrangements, or account requirements of the Program, and does not result in the assignment of any client advisory agreement. Arax remains the sponsor of the Program, and Air Cap does not sponsor, manage, or provide services to the Program. Clients of Air Cap are clients of Air Cap and are not clients of Arax, and their assets are not held in the Program. Additional information regarding this affiliation and the related conflicts of interest is provided in Item 9 – Additional Information.

Conflicts of Interest and Affiliations

As a result of the acquisition, certain affiliate relationships, service providers, and related conflicts of interest have been updated or consolidated under Arax. Clients should review Item 9 – Additional Information for updated disclosures regarding affiliations and related conflicts of interest.

Disciplinary Information: The disciplinary disclosure in Item 9 – Additional Information has been updated to reflect that Arax and its management persons have reportable disciplinary information. See Item 9 – Additional Information.

Operational and Administrative Changes

The acquisition resulted in certain operational changes, including the integration of compliance policies, systems, supervisory structures, and service providers. Additional detail is provided throughout this Brochure.

Future Changes

From time to time, we may amend this Wrap Fee Program Brochure to reflect changes in our business practices, changes in regulations, and routine annual updates as required by securities regulators. This complete Wrap Fee Program Brochure or a Summary of Material Changes will be provided to each client annually and when a material change occurs in the business practices of Arax. At any time, you may view the current Wrap Fee Program Brochure online at the SEC's Investment Adviser Public Disclosure website at <https://adviserinfo.sec.gov/> by searching by our firm name or CRD# 133535. You may also request a copy of this Wrap Fee Program Brochure at any time by contacting compliance@araxadvisorypartners.com.

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Item 4 – Services, Fees and Compensation

A. Services

The Arax Advisory Partners, LLC Wrap Fee Program (the “Arax Wrap Fee Program” or “Transcend Wrap Fee Program” or “Program”) is an investment advisory program sponsored by Arax. Arax is an investment advisory firm registered with the United States Securities and Exchange Commission (“SEC”).

This wrap fee program brochure describes the Program as it relates to clients receiving services through the Program. In addition to the Program, the Firm offers a variety of advisory services, which include financial planning, consulting, and investment management services under different arrangements than those described herein. Information about these services is contained in the Firm’s Form ADV Part 2A Disclosure Brochure.

Description of the Program

The Program provides clients utilizing the portfolio management services of Arax with the ability to trade in certain investment products without incurring separate brokerage commissions or transaction charges. A wrap fee program is any arrangement under which clients receive investment advisory services, which may include portfolio management or advice concerning the selection of other investment advisers, and the execution of designated client transactions for a specified fee or fees not based upon transactions in their accounts.

Arax provides investment management services as the sponsor and/or manager of the Arax Wrap Fee Program. Arax primarily allocates client assets among various individual debt and equity securities, mutual funds, exchange-traded funds (“ETFs”), structured products, options, alternative investments, and Independent Managers in accordance with clients’ stated investment objectives, risk profiles, and financial conditions. In addition, Arax may recommend that certain clients who qualify as accredited investors, as defined by Rule 501 of the Securities Act of 1933, and as “qualified purchasers,” as that term is defined in Section 2(a)(51)(A) of the Investment Company Act of 1940, invest in affiliated and unaffiliated privately placed securities, which may include debt, equity, and/or interests in pooled investment vehicles, such as hedge funds. The Firm sponsors the Arax Wrap Fee Program solely as a supplemental disclosure regarding the combination of fees. The overall investment advisory fee paid to Arax under the Program includes securities transaction fees and SEC exchange processing fees, together with custodial costs, certain mutual fund redemption fees, administrative fees, trade-away transaction fees, and other fees and expenses (collectively, “Covered Costs”).

Advisory services provided by Arax are offered in a Wrap Fee Program structure whereby all Covered Costs—including securities transaction fees and SEC exchange processing fees—are included in the overall investment advisory fee paid to Arax and are not separately charged to the client. Because the level of activity in a client’s account(s) may vary from year to year, the annual cost to the client may be more or less than engaging for advisory services where the Covered Costs are borne separately by the client. The cost of the Wrap Fee Program varies depending on the services provided to each client; however, the client is not charged more if there is higher trading activity in the client’s account(s). A Wrap Fee Program structure presents a conflict of interest because the Firm has an incentive to limit the number of trades placed in the client’s account(s) or to utilize securities that do not have transaction fees. The Firm’s recommended Custodian does not charge securities transaction fees for ETF and equity trades in a client’s account, provided that the account meets the terms and conditions of the Custodian’s brokerage requirements. However, the Custodian typically charges for mutual funds and other types of investments. As such, the Firm is incentivized to utilize ETFs and other equity securities to limit the overall cost to the Firm. Arax will place client assets into a Wrap Fee Program when it believes doing so is in the client’s best interest.

Prior to receiving services through the Program, clients are required to enter into a written agreement with Arax setting forth the relevant terms and conditions of the advisory relationship (the “Agreement”). Clients must also open a new securities brokerage account and complete a new account agreement with an unaffiliated Custodian. This includes Schwab Advisor Services, a division of Charles Schwab & Co., Inc. (“Schwab”) and Fidelity Clearing & Custody Solutions and related entities of Fidelity Investments, Inc. (collectively “Fidelity”), each a FINRA-registered broker-dealer and member of SIPC and a “Qualified Custodian” as that term is described in Rule 206(4)-2 of the Investment Advisers Act of 1940 (“Advisers Act”). Each Custodian provides custody of securities, trade execution, and clearance and settlement of transactions placed by

Arax. If your accounts are custodied at Schwab or Fidelity, Schwab or Fidelity will hold your assets in a brokerage account and buy and sell securities when we instruct them to.

Accounts managed through the Arax Wrap Fee Program are managed in substantially the same manner as accounts managed under a non-wrap arrangement.

B. Fees and Compensation

The Program Fee

Arax charges a Program fee assessed on a monthly basis, which is agreed upon with each client and set forth in an agreement executed by Arax and the client. Arax's Program fee for investment advisory services is negotiable and varies based on several factors, including, but not limited to, the size of the relationship, the nature and complexity of the products and investments involved, and time commitments and travel requirements. The fee is based upon a percentage (%) of the market value of the assets and is prorated and paid monthly, in advance, based upon the average daily market value of the client's account for the previous month. The Program fee for the initial month is paid on a pro rata basis, in arrears, based on the market value of assets as of the last business day of the initial month. The Program fee is generally based upon a percentage (%) of the market value of the assets and will not exceed 2.00% annually. For subsequent months, the Program fee generally is payable in advance, except for services to participant-directed 401(k) plans, which generally are payable in arrears, based on the average daily market value of the client's accounts through the last day of the previous month, as provided by third-party sources such as pricing services, custodians, fund administrators, and client-provided sources.

The client may make additions or withdrawals from the account[s] at any time, subject to the Firm's right to terminate an account or the overall relationship. Additions may be in cash or securities provided that the Firm reserves the right to liquidate any transferred securities or decline to accept particular securities into a client's account[s]. Clients may withdraw account assets on notice to Arax, subject to the usual and customary securities settlement procedures. However, the Firm typically designs its investment portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives. Arax may consult the client about certain implications of such transactions. Clients are advised that when such securities are liquidated, they may be subject to securities transaction fees, short-term redemption fees, and/or tax ramifications.

The number of transactions made in clients' accounts, the size of the accounts, the securities used to construct a portfolio, and the commissions charged for each transaction determine the relative cost of the Program versus paying for execution on a per-transaction basis and paying a separate fee for advisory services. Participants in the Program may pay a higher or lower aggregate fee than if investment management and brokerage services are purchased separately. Arax does not charge its clients higher advisory fees based on their trading activity, but clients should be aware that Arax may have an incentive to limit its trading activities in client accounts because Arax is charged for executed trades.

Cash Positions

At any specific point in time, depending upon perceived or anticipated market conditions or events (there being no guarantee that such anticipated market conditions/events will occur), Arax may maintain cash positions for defensive or other purposes. All cash positions (money markets, etc.) shall be included as part of assets under management for purposes of calculating the Program Fee unless otherwise discussed with your Wealth Advisor.

Additional Fees and Expenses

As noted above, the Wrap Fee Program includes Covered Costs incurred in connection with investment advisory services provided by Arax. All fees paid to Arax for investment advisory services are separate and distinct from the expenses charged by mutual funds and ETFs to their shareholders, if applicable. These fees and expenses are described in each fund's prospectus. These fees and expenses generally are used to pay management fees for the funds, other fund expenses, account administration expenses, such as custody, brokerage, and account reporting, and any applicable distribution fee. A client may be able to invest in these products directly, without the services of Arax, but would not receive the services provided by Arax, which are designed, among other things, to assist the client in determining which products or services are most appropriate for each client's financial situation and objectives. Accordingly, the client should review both the fees charged by the fund[s] and the fees charged by Arax to fully understand the total fees to be paid.

Additionally, fees related to the use of Independent Managers, client-directed trades, and account activity, such as electronic fund and wire transfer fees, certificate delivery fees, markups and markdowns, bid-ask spreads, selling concessions, and other miscellaneous fees and expenses as outlined in the account-opening paperwork executed with the Custodian, generally are charged back to the client. The Firm does not control or share in these fees. The client should review all fees charged by the fund(s), third parties, and Arax to fully understand the total fees to be paid. Please see Item 5.C – Other Fees and Expenses in the Disclosure Brochure.

Payment of Fees

Arax generally deducts its Program Fee from a client's investment account(s) held at the client's Custodian. Upon engaging Arax to manage such account(s), a client grants Arax this limited authority through a written instruction to the Custodian of the client's

account(s).

Compensation for Recommending the Program

Arax does not have any arrangements where it receives an economic benefit from a third party for recommending the Program.

Item 5 – Account Requirements and Types of Clients

Arax offers investment advisory services to individuals, including high net worth individuals, and entities, including, but not limited to, family offices, trusts, estates, retirement plans and profit-sharing plans, and private foundations.

Accounts in the Program may be subject to a minimum annual Program Fee at the discretion of Arax management. Additionally, certain Independent Managers may impose more restrictive account requirements and varying billing practices than Arax. In such instances, Arax may alter its corresponding account requirements and/or billing practices to accommodate those of the Independent Managers.

Item 6 – Portfolio Manager Selection and Evaluation

Arax currently acts as a portfolio manager for the Program. However, Arax does not receive fees for its investment management services that are in addition to the Program Fee.

Arax may recommend that clients authorize active discretionary management of all or a portion of their assets designated to the Program by certain Independent Managers in addition to the utilization, where appropriate, of passive investment vehicles. To the extent applicable, Arax may recommend or select Independent Managers consistent with the client's investment objectives. Factors which Arax considers in recommending or selecting Independent Managers include the client's stated investment objective(s), risk profile and financial condition and the Independent Manager's management style, performance, reputation, financial strength, and the results of Arax's research. Arax does not independently review the performance information of independent managers to ensure accuracy or compliance with presentation standards.

Other Advisory Business Services

Arax offers a variety of advisory services, which include financial planning, institutional consulting, and investment management services. Arax tailors its advisory services to meet the needs of its individual clients and seeks to manage client portfolios in a manner consistent with those needs and objectives. Arax consults with clients on an initial and periodic basis to assess their specific risk tolerance, time horizon, liquidity constraints and other related factors relevant to the management of their portfolios. Clients are advised to inform Arax of any changes to their investment objectives, risk tolerance or financial circumstances.

Methods of Analysis, Investment Strategies

Please see Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss in the Disclosure Brochure for details on the research and analysis methods employed by Arax.

Risk of Loss

Investing in securities involves certain investment risks. Securities may fluctuate in value or lose value. Clients should be prepared to bear the potential risk of loss. Arax will assist clients in determining an appropriate strategy based on their tolerance for risk and other factors noted above. However, there is no guarantee that a client will meet the client's investment goals.

Each client engagement will entail a review of the client's investment goals, financial situation, time horizon, tolerance for risk and other factors to develop an appropriate strategy for managing a client's account[s]. Client participation in this process, including full and accurate disclosure of requested information, is essential for the analysis of a client's account[s]. Arax and its Advisory Persons shall rely on the financial and other information provided by the client or their designees without the duty or obligation to validate the accuracy and completeness of the provided information. It is the responsibility of the client to inform Arax of any changes in financial condition, goals or other factors that may affect this analysis.

Past performance is not a guarantee of future returns. Investing in securities and other investments involves a risk of loss that each client should understand and be willing to bear. Clients are reminded to discuss these risks with Arax. For additional information, please see Item 8.A. – Risk of Loss in the Disclosure Brochure.

Voting Client Securities

Unless the client directs otherwise in writing, Arax is responsible for voting client proxies. However, assets allocated to Independent Managers will be voted by the Independent Manager. The client maintains exclusive responsibility for all legal proceedings or other similar events pertaining to the account assets, including, but not limited to, class action lawsuits.

Arax understands its duty to vote client proxies and to do so in the best interests of its clients. Furthermore, Arax understands that any material conflicts between Arax's interests and those of its clients with regard to proxy voting must be resolved before proxies are voted. Arax subscribes to a proxy monitoring and voting agent service offered by Broadridge ProxyEdge ("Broadridge"). Clients may request a copy of Arax's written policies and procedures regarding proxy voting and/or information on how particular proxies were voted by contacting our CCO.

Performance-Based Fees and Side-by-Side Management

Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account(s). Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while, at the same time, managing accounts that are not charged performance-based fees. Arax's fees are calculated as described in Item 5 above. Arax does not charge performance-based fees or participate in side-by-side management.

However, in certain limited instances, the General Partners may be entitled to receive performance-based compensation in the form of Carried Interest. For more detailed information on the carried interest received by Arax affiliates, please refer to the respective Fund's Offering Documents.

Item 7 – Client Information Provided to Portfolio Managers

Arax strives to provide investment advisory services specific to the needs of each client. Prior to providing investment advisory services, an investment adviser representative will discuss each client's investment objective(s) with the client. Arax then allocates each client's investment assets consistent with the client's designated investment objective(s). Clients may, at any time, impose reasonable restrictions, in writing, on Arax's services.

It remains the responsibility of each client to advise Arax if there is ever any change in their financial situation or investment objectives.

Clients participating in the Program generally grant Arax the authority to discuss certain non-public information with the Independent Managers engaged to manage their accounts. Depending on the specific arrangement, the Firm may be authorized to disclose various personal information including, but not limited to: names, phone numbers, addresses, social security numbers, tax identification numbers, and account numbers. Arax may also share certain information related to its clients' financial positions and investment objectives in an effort to ensure that the Independent Managers' investment decisions remain aligned with the Firm's clients' best interests. This information is communicated as necessary for the management of its clients' portfolios.

Item 8 – Client Contact with Portfolio Managers

Arax is a full-service investment management advisory firm. Clients always have direct access to the portfolio managers at Arax.

Item 9 – Additional Information

A. Disciplinary Information

Registered investment advisors are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's evaluation of Arax and the integrity of Arax's management. Arax and its management persons have reportable disciplinary information. Clients should review Item 9 – Disciplinary Information of the Disclosure Brochure for a description of these matters, and may research Arax and its Advisory Persons using the SEC's Investment Adviser Public Disclosure website at <https://adviserinfo.sec.gov/firm/summary/133535> by searching by our firm name or CRD# 133535.

Please see Item 9 – Disciplinary Information of the Disclosure Brochure as well as Item 3 of each Advisory Person's Brochure Supplement for additional information on how to research the background of Arax and its Advisory Persons.

B. Other Financial Industry Activities and Affiliations

General Partner Affiliations

Arax is affiliated through common control and ownership with general partners to the Funds (each a “General Partner” and collectively the “General Partners”). The General Partners have appointed Arax as the investment manager to various pooled investment vehicles. Arax provides certain investment advisory, management, and administrative services to the Funds. Once the Funds close, Arax is paid a management fee by investors for these services based on the size of the investor’s investment. Additionally, the Funds may be charged carried interest allocations, which are typically deducted from investment proceeds that would otherwise be distributable to the investors in the Funds. The manner of calculation and application of the management fee and the carried interest allocations are disclosed in the respective offering documents for the Funds. Finally, Arax will also charge its clients an advisory fee on any assets invested into the Funds in addition to the management fee described above. Due to the affiliation between the General Partners and Arax, certain advisory persons have a financial incentive to recommend that Clients invest into the Funds. However, prior to recommending an investment into the Funds, Arax will conduct appropriate due diligence to ensure the recommendation to a client to invest aligns with the Client’s investment needs and objectives. In addition, Arax will provide additional disclosure information to each Client, which will include relevant details regarding material financial interests and compensation as it relates to the Funds. Finally, there is no requirement for Arax to recommend these Funds to clients, nor are clients obligated to invest into these Funds.

Registrations with Broker-Dealer

Certain Advisory Persons providing investment advice on behalf of Arax are also registered representatives of one or more unaffiliated broker-dealers. These broker-dealers are separate from Arax and are not owned or controlled by Arax. When an Advisory Person acts in a brokerage capacity through an unaffiliated broker-dealer, the Advisory Person may receive commissions or other compensation from the broker-dealer or its affiliates. This creates a conflict of interest because the Advisory Person may have a financial incentive to recommend brokerage products or services. Clients are not required to purchase securities or brokerage products through any unaffiliated broker-dealer or through any Advisory Person in a brokerage capacity.

Insurance Activities

Certain Advisory Persons of Arax are also licensed insurance professionals and employees of Transcend Capital Insurance Services, LLC (“TCIS”), an insurance agency that is not affiliated with the Firm. TCIS provides its services to clients of the Firm and clients of TCIS. Clients are not required to utilize the services provided by TCIS. TCIS and Advisory Persons will receive customary commissions and other related revenues from the various insurance companies whose products are sold. Advisory Persons are not required to offer the products of any particular insurance company. Commissions generated by insurance sales do not offset regular advisory fees. This practice presents a conflict of interest in recommending certain products of the insurance companies. Clients are under no obligation to implement any recommendations made by an Advisory Person or the Firm.

Use of Independent Managers

The Firm may implement all or a portion of a client’s investment portfolio with one or more Independent Managers. The Firm does not receive any compensation from Independent Managers, and this arrangement does not present a material conflict of interest. The Firm will only earn its investment advisory fee as described above.

Affiliation with Air Capital Partners (Bahamas) Limited

Air Capital Partners (Bahamas) Limited (“Air Cap”) is an affiliate of the Firm under common control. Air Cap is owned by Arax Investment Partners, LLC and its affiliates, which are also indirect controlling owners of the Firm. Air Cap is registered with the Securities Commission of The Bahamas, effective December 23, 2025, and provides services to clients in The Bahamas. Air Cap is not registered with the U.S. Securities and Exchange Commission and does not sponsor, manage, or provide services to the Program. As of the date of this Brochure, Air Cap has no clients and no assets under management.

Clients of Air Cap are clients of Air Cap and are not clients of the Firm. The Firm employs personnel located in The Bahamas who provide advisory, compliance, and client service and operations support to the Firm and its clients. One Advisory Person located in The Bahamas also serves as an officer of Air Cap and, in that separate capacity, provides services to Air Cap's clients. That Advisory Person does not manage accounts in the Program. Neither the Firm nor Air Cap pays or receives any compensation to or from the other for client referrals. Additional information regarding the Firm's affiliation with Air Cap and the related conflicts of interest is provided in Item 10 – Other Financial Industry Activities and Affiliations and Item 12 – Brokerage Practices of the Disclosure Brochure.

C. Code of Ethics, Participation or Interest in Client Transactions

Arax has implemented a Code of Ethics that defines our fiduciary commitment to each client. This Code of Ethics applies to all persons subject to Arax’s compliance program (our “Supervised Persons”). Complete details on the Arax Code of Ethics can be

found under Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading in the Disclosure Brochure.

D. Receipt of Economic Benefit

Participation in Institutional Advisor Platform – Schwab

Arax has established an institutional relationship with Schwab through its “Schwab Advisor Services” unit, a division of Schwab dedicated to serving independent advisory firms like Arax. As a registered investment adviser participating on the Schwab Advisor Services platform, Arax receives access to software and related support without cost because Arax renders investment management services to clients that maintain assets at Schwab. Services provided by Schwab Advisor Services benefit Arax, and many, but not all, services provided by Schwab will benefit clients. In fulfilling its duties to its clients, Arax endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits from a custodian creates a conflict of interest because these benefits may influence Arax’s recommendation of this custodian over one that does not furnish similar software, systems support, or services.

Services That Benefit the Client – Schwab’s institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of clients’ funds and securities. Through Schwab, Arax may be able to access certain investments and asset classes that the client would not be able to obtain directly or through other sources. Further, Arax may be able to invest in certain mutual funds and other investments without having to adhere to investment minimums that might be required if the client were to directly access the investments.

Services That May Indirectly Benefit the Client – Schwab provides participating advisors with access to technology, research, discounts and other services. In addition, Arax receives duplicate statements for client accounts, the ability to deduct advisory fees, trading tools, and back office support services as part of its relationship with Schwab. These services are intended to assist Arax in effectively managing accounts for its clients, but may not directly benefit all clients.

Services That May Only Benefit the Firm – Schwab also offers other services and financial support to Arax that may not benefit the client, including educational conferences and events, financial start-up support, consulting services, and discounts for various service providers. Schwab has agreed to provide Arax with reimbursement of transfer or account exit fees. These funds will be used toward fees client accounts will bear if the accounts are transferred to Schwab. Additionally, Schwab has agreed to pay for certain services rendered by third parties for which Arax would otherwise have to pay. This amount is covered once the value of client assets in accounts at Schwab reaches a certain size. Clients do not pay more for assets maintained at Schwab as a result of these arrangements. However, Arax does benefit from the arrangement because the cost of these services would otherwise be borne directly by Arax. Access to these services and financial support creates a financial incentive for Arax to recommend Schwab, which results in a conflict of interest. Arax believes, however, that the selection of Schwab as Custodian is in the best interests of its clients. Clients should consider these conflicts of interest when selecting a custodian.

Participation in Institutional Advisor Platform – Fidelity

Arax has established an institutional relationship with Fidelity to assist Arax in managing client account[s]. Access to the Fidelity Institutional platform is provided at no charge to Arax. Arax receives access to software and related support without cost because Arax renders investment management services to clients that maintain assets at Fidelity. The software and related systems support may benefit Arax, but not its clients directly. In fulfilling its duties to its clients, Arax endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits from a custodian creates a conflict of interest since these benefits may influence Arax’s recommendation of this custodian over one that does not furnish similar software, systems support, or services.

Additionally, Arax may receive the following benefits from Fidelity: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk that exclusively services its institutional participants; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and access to an electronic communication network for client order entry and account information.

Finally, Fidelity has also agreed to provide Arax with reimbursement of transfer or account exit fees. These funds will be used toward fees client accounts will bear if the accounts are transferred to Fidelity. However, Arax does benefit from the arrangement because the transition costs otherwise would be borne directly by Arax. Access to these services and financial support creates a financial incentive for Arax to recommend Fidelity, which results in a conflict of interest. Arax believes, however, that the selection of Fidelity as Custodian is in the best interests of its clients. Clients should consider these conflicts of interest when selecting a custodian.

E. Review of Accounts

Arax monitors investment advisory portfolios as part of a continuous and ongoing process. Arax advisors aspire to meet quarterly with each client, and have at least one annual meeting with every client to conduct a formal review of each client's account. These reviews may include the following:

- compare the account's allocation with stated goals and client cash flows at the time of review;
- review holdings and consider alternatives;
- monitor the size of individual securities relative to their sectors, asset classes, and overall account size;
- analyze an account's composition and performance, income, appreciation, gains/losses, and asset allocation; and
- assess its performance.

Additional details of the review policies and practices are provided in Item 13 – Review of Accounts in the Disclosure Brochure.

F. Client Referrals and Other Compensation

Arax does not compensate, either directly or indirectly, any persons who are not supervised persons, for Client referrals.

G. Financial Information

Neither Arax, nor its management, has any adverse financial situations that would reasonably impair the ability of Arax to meet all obligations to its clients. Neither Arax, nor any of its management persons, has been subject to a bankruptcy or financial compromise. Arax is not required to deliver a balance sheet along with this Disclosure Brochure as Arax does not collect advance fees of \$1,200 or more for services to be performed six months or more in the future.