

KACHING GROUP INC.
STATEMENT OF POLICIES AND PROCEDURES
OCTOBER 1, 2009

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INTRODUCTION

This Statement of Policies and Procedures (this “Statement”) addresses the responsibilities of the Employees and kaChing Geniuses (together “Supervised Persons”) of kaChing Group Inc. concerning applicable regulatory, compliance and operational issues. The Statement does not attempt to describe every requirement relating to these activities, but summarizes some of those issues and establishes general policies and procedures that apply to all Supervised Persons.

The Firm and its Supervised Persons have a fiduciary duty to the Firm’s clients and are required to maintain the highest ethical standards and to comply with all applicable federal and state securities laws. Supervised Persons must report any violations of this Statement promptly to the Chief Compliance Officer of the Firm.

If you violate any provision contained in this Statement, you may be subject to discipline or sanctions by the Firm at the Firm’s sole discretion, including fines, dismissal or loss of fees or other sanctions, or, in the case of Employees, loss of pay, bonus or severance benefits, suspension without pay or demotion, whether or not the violation also constitutes a violation of law. Furthermore, the Firm may initiate or cooperate in civil or criminal proceedings against any Supervised Person relating to or arising from any such violation.

This Introduction and Parts I, II and III of this Statement (“Personal Securities Transactions”, “Insider Trading and Anti-Fraud Requirements” and “Code of Employee Conduct”) constitute the Firm’s Code of Ethics pursuant to Rule 204A-1 under the Advisers Act. This Introduction and Parts I and II constitute the Code of Ethics applicable to kaChing Geniuses (“Genius Policies and Procedures”), except that kaChing may permit a Genius that is registered as an investment adviser under the Advisers Act with the U.S. Securities and Exchange Commission (the “SEC”) or licensed as an investment adviser under the laws of one or more states of the United States (“RIA Genius”) to comply with its own Code of Ethics, subject to the Firm’s determination that the RIA Genius’s Code of Ethics satisfies the requirement under the Advisers Act and this Statement, and the RIA Genius’s consent to certain approval and reporting requirements in the RIA Genius Consulting Agreement. An RIA Genius that agrees to and follows these procedures is referred to herein as an “Excluded RIA Genius”.

A. General Procedures. The Firm will provide each Employee with a copy of this entire Statement and will send each Genius (other than an Excluded RIA Genius) a message requesting such Genius to review the Genius Policies and Procedures and providing instructions for accessing the Genius Policies and Procedures through the Firm’s [website](#). The Firm will provide amendments to each Part to the affected Supervised Persons, by paper copy to Employees and by electronic mail and message through the Firm’s website to Geniuses. In addition, each Genius and each Employer will have access to the portions of this Statement applicable to such person through the Firm’s website.

When each existing Employee receives this Statement, he or she must sign a Certificate of Receipt, in the form attached as Exhibit A, and submit it to the Firm. The Certificate acknowledges that the Employee has received and understands this Statement and includes the Employee’s agreement to comply with it. At the same time, each Employee must disclose on an

Initial Holdings Report in the form attached as Exhibit B, all of his or her, and his or her Family Members', Proprietary Accounts and list all Securities in which the Employee or any of his or her Family Members has any Beneficial Ownership. Each Employee also must complete a kaChing Questionnaire in the form attached as Exhibit C. Thereafter, each Employee immediately must notify the CCO if any of the information in his or her kaChing Questionnaire becomes inaccurate in any respect.

Before becoming an Employee, such new Employee must provide all the documents described in the immediately preceding paragraph.

Quarterly, each Employee must sign a Certificate of Compliance, in the form attached as Exhibit D, certifying that he or she has complied in all respects with the portions of this Statement that apply to such Employee and updating any information that is not current or complete.

Each Genius (other than an Excluded RIA Genius) is required to affirm in the Genius Consulting Questionnaire and Agreement that he or she has read, understands and agrees to follow the Genius Policies and Procedures. At the same time, such Genius must disclose all of his or her Securities accounts and Securities holdings, and provide the information contained in the kaChing Questionnaire. In addition, each Genius (other than an Excluded RIA Genius) must permit kaChing access to such Genius's Securities accounts and reply affirmatively to a quarterly Certificate of Compliance containing the same text as Exhibit D.

B. Chief Compliance Officer. Supervised Persons who have questions about this Statement should contact E. J. Borrack (or her designated substitute or successor) (the "CCO"). The [CCO](#) is competent and knowledgeable regarding the Advisers Act and has full responsibility and authority to enforce and further develop this Statement.

C. Mandatory Reporting of Violations. Supervised Persons must report promptly any violation of this Statement to the CCO. Reports may be anonymous. Neither the Firm nor any Supervised Person may retaliate against anyone who makes such a report. Any such retaliation is grounds for discipline or sanction, including immediate dismissal.

D. Annual Review. The Firm's board of directors, its executive officers and the CCO review this Statement annually to determine its adequacy and the effectiveness of its implementation. The review considers any compliance matters that arose during the previous year, any changes in the Firm's or its affiliates' activities and any changes in the Advisers Act or applicable regulations. The Firm may conduct interim reviews to respond to significant compliance events, changes in business arrangements and regulatory developments.

Reviews of the policies and procedures described in Part I regarding personal securities transactions should: (1) assess whether any Genius is trading for his or her own account in the same Securities he or she is trading in a Virtual Portfolio and, if so, whether the Genius owns such Securities at a time when the Securities are purchased for Customer Accounts mirror the Genius; (2) periodically analyze the Genius's trading for patterns that may indicate abuse, including market timing; (3) investigate any substantial disparities between the quality of performance any Genius achieves for his or her own account and that achieved by Customer

Accounts that mirror his or her Virtual Portfolio; and (4) investigate any substantial disparities between the percentage of trades that are profitable when the Genius trades for his or her own account and the percentage of trades that are profitable in Customer Accounts that mirror his or her Virtual Portfolio.

E. Definitions. To make it easier to review and understand these policies and procedures, some terms are defined below:

“**Advisers Act**” means the Investment Advisers Act of 1940, as amended.

“**Beneficial Ownership**” of a Security by a person means the person:

1. Directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise has or shares with any other person (a) any pecuniary, financial or other interest in such Security, (b) voting power, which includes the power to vote, or to direct the voting of, such Security, or (c) investment power, which includes the power to dispose, or to direct the disposition, of such Security; or

2. Provides any investment advice regarding such Security; or

3. Has the right to acquire such Security within sixty days, through (a) the exercise of any option, warrant or right, (b) the conversion of a Security, (c) the exercise of the power to revoke a trust, discretionary account or similar arrangement, (d) the automatic termination of a trust, discretionary account or similar arrangement, or (e) any other means; or

4. Directly or indirectly creates or uses a trust, proxy, power of attorney, pooling arrangement or any other contract, arrangement, or device with the purpose or effect of divesting such person of beneficial ownership of such Security or preventing the vesting of such beneficial ownership as part of a plan or scheme to evade reporting requirements of the Exchange Act. For example, a federal court has held that a party to a cash-settled total return swap (a “swap” being an agreement to “exchange cash flows on two financial instruments over a specific period of time”) was deemed to be a “beneficial owner” of the underlying Securities, even though the party had no pecuniary, financial or other interest in or right to acquire, vote or dispose of the underlying Securities. Because a party to a swap or other derivative may have Beneficial Ownership of the underlying Securities, the facts and circumstances should be fully disclosed to the CCO to determine whether a Supervised Person may have Beneficial Ownership of the underlying Securities.

“**CCO**” means E. J. Borrack (or her designated substitute or successor).

“**Customer**” means a user of the Firm’s website who becomes a client of the Firm by requesting that the Customer’s brokerage account mirror a Genius’s Virtual Portfolio, and agreeing to and completing the Customer Account Agreement. A Supervised Person may also be a Customer, if he or she has a Customer Account as defined below.

“**Customer Account**” means a Securities investment or trading account, at Interactive Brokers, LLC, of a Customer that is managed by the Firm when trading instructions are issued through the Firm’s Trading Instruction System, to cause the Securities account to mirror a

Virtual Portfolio. Consistent with this definition, “Customer Account” includes an investment or trading account of an Employee or a Genius or his or her Family Members if that account is managed by the Firm through its Trading Instruction System. If an investment or trading account is not managed by the Firm, then that account is a Proprietary Account.

“**Employee**” means each person who is an employee or officer of the Firm, and any other person whom the CCO notifies will be subject to this Statement (including, for example, the Firm’s independent service providers (such as information technology personnel or other frequent service providers with access to the Firm’s trading and client information)). An outside director of the Firm is not considered an Employee unless the director has access to nonpublic information about Virtual Portfolio Securities holdings, purchases or sales. The Firm does not consider an outside director who has no access, and no ability to gain access, to such information to be an access person. Based on the Firm’s unique business model, the Firm believes that there is no risk that the personal trades of such an outside director would violate this Statement in a way that could be detected from the CCO’s review of that director’s personal trading records.

“**ERISA**” means the Employee Retirement Income Security Act of 1974, as amended.

“**Exchange Act**” means the Securities Exchange Act of 1934, as amended.

“**Excluded RIA Genius**” has the meaning ascribed to that term in the fourth paragraph of the Introduction of this Statement.

“**Family Members**” of a Supervised Person, means his or her spouse, minor children and any relative or other person living with him or her and any other person to whom he or she contributes support.

“**Firm**” means kaChing Group Inc.

“**Genius**” means a user of the Firm’s website who agrees to and completes the appropriate form of Genius Consulting Questionnaire and Agreement, and whom the Firm approves as a kaChing Genius, and who (except an Excluded RIA Genius) agrees to follow the Genius Policies and Procedures. Genius includes an RIA Genius, except as specifically notes. An Employee may also be a Genius.

“**IB**” means Interactive Brokers, LLC, the custodian of each Customer Account.

“**ICA**” means the Investment Company Act of 1940, as amended.

“**Insider**” means (except for purposes of Part II (Insider Trading)), with respect to an issuer of Securities, any person who directly or indirectly has Beneficial Ownership of more than 10% of any class of equity Securities of such issuer registered under the Exchange Act, or who is an officer or director of such an issuer. “Insider” for purposes of Part II is defined therein.

“**Proprietary Account**” means a Securities investment or trading account held in the name of a Supervised Person or any of his or her Family Members, or of which such Supervised Person or any of his or her Family Members has Beneficial Ownership. The term “Proprietary Account” does not include any account managed through the Firm’s Trading Instruction System.

“**RIA Genius**” has the meaning ascribed to that term in the fourth paragraph of the Introduction of this Statement.

“**SEC**” means the U.S. Securities and Exchange Commission.

“**Securities Act**” means the Securities Act of 1933, as amended.

“**Security**” means any investment instrument commonly viewed as a security, including any common stock, option, warrant, right to acquire securities or convertible instrument, as well as any exchange-traded fund, swap or other derivative instrument, whether issued in a public or private offering.

“**Statement**” means this Statement of Policies and Procedures.

“**Supervised Person**” means an Employee or a Genius (other than an Excluded RIA Genius).

“**Trading Day**” means a day on which trading occurs on the Nasdaq Stock Market for all or part of such day.

“**Trading Instruction System**” means the Firm’s advisory service of mirroring the trades of a Virtual Portfolio in a Customer Account.

“**U.S.**” means the United States of America, including its territories and possessions.

“**Virtual Portfolio**” means a virtual portfolio of Securities specified and maintained by a user of the Firm’s website.

Part I.

PERSONAL SECURITIES TRANSACTIONS

A. Personal Trading Accounts and Reports.

1. Before becoming a Supervised Person, such Supervised Person must identify to the CCO all of the Supervised Person's and the Supervised Person's Family Members' Proprietary Accounts, and must provide to the Firm an Initial Holdings Report disclosing the title, type, number of shares or principal amount (as applicable), and the exchange ticker symbol or CUSIP number (as applicable) of each Security held directly by the Supervised Person or the Supervised Person's Family Members, whether or not in a Proprietary Account. Current Employees on the day the Firm adopts these Policies and Procedures must provide this information to the Firm not later than October 19, 2009. The form of Initial Holdings Report is attached as Exhibit B. This obligation may also be satisfied for each Proprietary Account by attaching brokerage statements of that account current as of forty-five days prior to the date the person became a Supervised Person. The Initial Holdings Report need not disclose shares of open-end investment companies registered under the ICA (mutual funds) that are not affiliated with the Firm (but disclosure of closed-end funds and exchange-traded funds is required), Securities issued by the government of the U.S., money market instruments (e.g., bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high-quality short-term debt instruments) and shares of money market funds.

2. Each Genius (other than an Excluded RIA Genius) must (a) arrange either for the Firm to have viewing access to each of his or her Proprietary Accounts through internet access to such account from the brokerage firm or other financial institution where the Proprietary Account is maintained or arrange for duplicate copies of all trading confirmations and brokerage statements for each of his or her Proprietary Accounts to be sent promptly and directly by the brokerage firm or financial institution to the Firm, to the attention of the CCO, or (b) close all Proprietary Accounts except accounts through IB, and arrange for IB to provide such review authority to the Firm.

3. Thereafter, each Employee must advise the CCO and receive authorization before opening any new Proprietary Account and each Genius (other than an Excluded RIA Genius) may not open any new Proprietary Account except IB accounts over which the Firm has review authority.

4. Each Employee must arrange for duplicate copies of all trade confirmations and brokerage statements relating to each of his or her Proprietary Accounts to be sent promptly and directly by the brokerage firm or other financial institution where the Proprietary Account is maintained to the Firm, to the attention of the CCO. In the alternative, Employees may close all Proprietary Accounts and trade only through one or more Proprietary Accounts at IB if the Employee authorizes IB to provide review authority to the Firm.

5. For each Securities trade by a Supervised Person for which a confirmation is not available or that is not carried out through a brokerage account, such as a private Securities transaction, the Supervised Person is responsible for providing the CCO, on or before the

effective day of the trade, with a written statement of the date, Security, nature of the transaction, price, parties and brokers involved in such trade.

6. A Supervised Person must notify the CCO promptly if Securities in a Proprietary Account are provided as collateral for any loan.

7. No later than thirty days after the end of each calendar quarter, each Supervised Person must certify to the Firm that he or she has complied with this Statement. If the Supervised Person has any Proprietary Accounts at brokers other than IB, such Supervised Person must give the Firm a report disclosing all Securities in which the Supervised Person and the Supervised Person's Family Members have any Beneficial Ownership and complete information regarding each Proprietary Account where such Securities are held. Alternatively, the Supervised Person may certify that all such information is in the account statements and confirmations provided to the Firm during that quarter and that as of the date of the certificate, all such information is accurate and complete. If such information is incomplete or inaccurate as of the date of the certification, the Supervised Person must update or correct the information. The Employee form to use for this purpose is attached as Exhibit D; Geniuses (other than Excluded RIA Geniuses) will provide a similar certification through the Firm's website.

B. Personal Trading Restrictions on Private Placements and Initial Public Offerings. Neither a Supervised Person nor any of his or her Family Members may acquire Beneficial Ownership of any Security in a private placement or initial public offering without the prior approval of the CCO. The form of Personal Securities Trading Request is attached as Exhibit E. The CCO or the CCO's Substitute will promptly notify the Supervised Person of approval or denial of clearance to trade. If a Supervised Person receives approval to trade a Security he or she must complete that trade within 24 hours after receiving such approval.

C. Review of Personal Trading Information. The Firm will review all confirmations, statements and other information to monitor compliance with this Statement. The Firm reserves the right to require a Supervised Person to reverse, cancel or freeze, at the Supervised Person's expense, any transaction or position in a Security if the Firm believes such transaction or position might violate this Statement or appears improper. Except as required to enforce this Statement or to participate in any investigation concerning violations of applicable law, the Firm will keep all such information confidential.

D. Client Priority. A Genius (other than an Excluded RIA Genius) who places a virtual trade in his or her Virtual Portfolio may not purchase or sell the same Security or any derivatives related to that Security for any of that Genius's Proprietary Accounts for 10 full Trading Days before, or 2 full Trading Days (or longer if trades for Customer Accounts are still being executed) after the day that the Genius places the trade in that Security in his or her Virtual Portfolio. In extraordinary circumstances, such as in a case where a Genius's employer or legal obligations require different trading restrictions, the CCO may modify these trading restrictions for a particular trade. If the Genius has a Customer Account that is mirroring his or her Virtual Portfolio, trades for that account will be executed at the same time as other Customer Accounts and receive the average execution price (the same as the other Customer Accounts). In addition, Geniuses must always conduct their personal trading in a manner that does not conflict with the

interests of any of the Customer Accounts mirroring their Virtual Portfolio. Although it is not possible to list all potential conflicts of interest, each of the following acts always is prohibited:

1. Knowingly purchasing or selling Securities for Proprietary Accounts, directly or indirectly, in a way that adversely affects transactions in Customer Accounts;
2. Using knowledge of Securities transactions by Customer Accounts to profit personally, directly or indirectly, by the market effect of such transactions; and
3. Giving to any person information not generally available to the public about contemplated, proposed or current purchases or sales of Securities by or for a Customer Account, except to the extent necessary to effect such transactions or with the approval of the CCO.

E. Front Running. Without the prior written approval of the CCO, no Genius (other than an Excluded RIA Genius) may execute a transaction in a Security for a Proprietary Account if the Genius is aware or should be aware that an order for the same Security, in the same direction, remains unexecuted for a Customer Account that mirrors the Genius's Virtual Portfolio. A Genius (other than an Excluded RIA Genius) must not purchase Securities for a Proprietary Account that he or she is considering for his or her Virtual Portfolio. Excluded RIA Geniuses are subject to similar restrictions under the RIA Genius Consulting Agreement and their own Policies and Procedures or Codes of Ethics. Transactions in options, derivatives or convertible instruments for a Proprietary Account that are related to a transaction in an underlying Security for a Customer Account ("inter-market front running") are subject to the same restrictions.

F. Employees. Any Employee having access through the Firm's software and data to pending, non-public information about securities transactions in the Customer Accounts is subject to the prohibitions in sections D and E above.

Part II.

INSIDER TRADING, ANTI-FRAUD AND FINANCIAL PRIVACY REQUIREMENTS

A. Policy Statement on Insider Trading. The Firm is in the business of operating a website and software that collects, analyzes and publishes information about Securities and the performance of Virtual Portfolios, and permits users to make investments in Securities by mirroring the Virtual Portfolios of Geniuses. Generally, the Firm intends that such information and analysis help investors to make informed investment decisions. It is illegal, however, to trade or recommend trades in a Security while using or even, in some cases, while merely possessing, material, nonpublic information about such Security or its issuer. It is the Firm's policy to conduct its business in full compliance with the law, and to ensure that its Supervised Persons do so.

This Statement applies to the Firm and all of its Supervised Persons. Each Supervised Person should review this Statement carefully. Any questions should be directed to the CCO.

Although the law concerning insider trading is evolving, it generally prohibits:

- Trading in Securities by an insider while in possession of material, nonpublic information;
- Trading in Securities by a non-insider while in possession of material, nonpublic information, where the information either was disclosed to the non-insider in violation of an insider's duty to keep it confidential, or was misappropriated; and
- Communicating material, nonpublic information to others, or recommending a Securities transaction to others while in possession of material, nonpublic information about the Security or the company in question (commonly called "tipping").

The Firm forbids any of its Supervised Persons from (i) trading either personally or placing a trade in a Virtual Portfolio that is being mirrored by Customer Accounts on material, nonpublic information; (ii) communicating material, nonpublic information to others in violation of the law; or (iii) knowingly assisting someone engaged in these activities.

All information relating to the Firm's activities, including trades for Customer Accounts, is proprietary to the Firm and must be kept confidential, except as necessary for an Employee to perform his or her duties for the Firm. Such information should be treated as material, nonpublic information; that is, Employees must not trade on it for Proprietary Accounts and, without the prior approval of the CCO, must not disclose it to anyone inside or outside the Firm who does not need the information in the course of the Firm's business.

1. Background. The federal statutes that are most frequently the basis for SEC investigations and prosecutions of insider trading are Exchange Act section 10(b) and SEC Rule 10b-5 thereunder. These are the general antifraud provisions of the federal Securities laws. Among other things, Rule 10b-5 prohibits insider trading, which has been given high priority in

SEC enforcement efforts. State laws generally correspond to the federal laws and impose additional obligations and liabilities.

2. Key Terms and Concepts.

“**Insiders**” of a company are generally its officers, directors, employees and controlling shareholders. In addition, persons outside a company who gain inside information in the course of dealings with such company may be considered “temporary insiders” of such company and thus be bound by the same legal restrictions as traditional insiders. For example, outside financial advisers, investment bankers, lawyers or accountants retained to represent or assist a company on an ongoing basis or in major corporate transactions are such company’s insiders for purposes of insider trading laws. If you receive material, nonpublic information regarding a company that comes directly or indirectly from any insider (temporary or traditional), do not trade in such company’s Securities in your Proprietary Accounts or in a Virtual Portfolio that is mirrored by Customer Accounts and do not discuss the information with any other person without first consulting the CCO.

“**Tipping**” is disclosing material, nonpublic information about a company or its Securities to a third party, when such disclosure is not made strictly for corporate purposes. The disclosure may be by an insider of the company, by one who has misappropriated the information from the company in question or from another person or company, or by anyone who received information traceable to an insider or one who has misappropriated the information. Those who disclose the information are called “tippers”; those who receive the information are called “tippees.” If you trade on the basis of tipped information, you may incur criminal and civil liability, even if you receive the information second-hand, third-hand, or more remotely, if the other requirements for finding liability are present. The same legal standards apply to remote tippees. In addition, if you tip information to others, you may be liable for any profits gained or losses avoided by a tippee, *even if you did not trade*. If someone tips information to you, do not disclose the information to anyone except as required by this Statement. You and the Firm may be liable if *anyone* trades on material, nonpublic information received from or through you.

Trading while in possession of certain nonpublic information is illegal if the information is “**material**.” Material information is information about a company or its Securities of such importance that it has substantial likelihood of altering the “total mix of information” regarding the company. It is information that, if generally known, would affect the market price of the Security. Material information can relate to current events or possible future events. When information relates to a possible future event, materiality is determined by balancing the probability that the event will occur and the anticipated magnitude of the event in light of the totality of the company’s activities. The more likely it is that an event will occur, the less significant the event needs to be for the information to be deemed material; the more significant the event, the less likely the probability of its occurrence needs to be for the information to be deemed material. Whether a particular item of information is material may depend on how specific it is, the extent to which it differs from public information, and its reliability in light of its source, its nature, and the circumstances under which it was received.

If a transaction in which you are involved becomes the subject of scrutiny by the SEC, the materiality of any inside information will be evaluated with 20/20 hindsight, and the mere fact that someone traded while in possession of the information will contribute to the conclusion that it was material. When in doubt, assume information is material.

Information that Supervised Persons should consider material includes, among other things, information about earnings estimates; changes in previously released earnings estimates; manufacturing problems; changes in control or management; mergers; acquisitions; tender offers; joint ventures; changes in assets; major litigation; liquidity problems; significant new products, discoveries, services or contracts; the cancellation or loss of significant orders, products, services or contracts; change in auditors or auditor notification that the issuer may no longer rely on an auditor's audit report; events regarding the issuer's Securities; defaults on senior Securities; calls of Securities for redemption; repurchase plans; stock splits or changes in dividends; changes to rights of Security holders; public or private sales of additional Securities; and bankruptcies or receiverships.

Material information also can relate to events or circumstances affecting the market for a company's Securities. For example, a reporter for the *Wall Street Journal* was criminally liable for disclosing to others the dates that articles about various companies would be published in *The Wall Street Journal* and whether those reports would be favorable or not. The information that Customer Accounts are or will be purchasing a certain Security should be considered material and not disclosed.

You should refer any questions about whether certain information is material to the CCO.

“Nonpublic” information is information that has not been disseminated in a manner that makes it available to public investors generally. If information is being disseminated to traders generally by brokers and institutional analysts, such information would be considered public unless there is reason to believe that such information is confidential and came from an insider. Information that has been selectively disclosed to a few analysts or investors is not public. Public information is information that has been disclosed in a manner sufficient to ensure that it is available to the investing public, such as by disclosure in a report filed with the SEC or publication in the Dow Jones broad tape, *Reuters Economic Services*, the Associated Press or United Press International wire services, newspapers of general circulation in New York City, or, if the subject company's operations or stockholders are geographically localized, in local news media, or the electronic media. When information becomes public, persons who were aware of the information when it was nonpublic must wait to trade until the market absorbs the information. You should refer any questions about whether certain information has become public to the CCO.

“Misappropriation” is a basis for insider trading liability that is established when trading occurs based on material, nonpublic information that was misappropriated from another person. This theory can and has been used to reach a variety of individuals who are not traditional or temporary insiders. The *Wall Street Journal* reporter mentioned above was found by the U.S. Supreme Court to have defrauded the *Wall Street Journal* when he misappropriated information about upcoming articles from the *Wall Street Journal* and used the information for trading in Securities. Similarly, a partner in a law firm was held to use a “deceptive device” in

violation of Exchange Act section 10(b) by misappropriating information from his law firm and the law firm's client, in breach of his fiduciary duty to this law firm and the client, by trading in Securities of a company regarding which the client was preparing a tender offer.

3. Penalties for Insider Trading. Penalties for trading on or tipping of material, nonpublic information are severe and may include:

- a. civil injunction;
- b. disgorgement of the profit gained or the loss avoided;
- c. civil penalty of up to three times the profit gained or the loss avoided;
- d. criminal fine of up to \$5 million for an individual or \$25 million for an entity (in addition to civil penalties based on the profit gained or the loss avoided); or
- e. jail time of up to 20 years.

A company or any manager or supervisor who fails to take adequate steps to prevent illegal trading on, or tipping of, material, nonpublic information is subject to similar penalties. Persons guilty of insider trading violations, whether through actual trading, tipping, or failing to supervise, are also open to private suits for damages by contemporaneous traders in the market.

Any SEC investigation, even one that does not result in criminal or civil prosecution, can irreparably damage the Firm's reputation and an individual's reputation and career. It is essential to avoid even the appearance of impropriety.

B. Procedures to Implement the Firm's Policies against Insider Trading. The Firm has established the following procedures to help Supervised Persons avoid insider trading, and to help the Firm to prevent, detect and impose sanctions against insider trading. Every Supervised Person must follow these procedures. If you have any questions about the procedures, you should consult the CCO.

1. Identify Material, Nonpublic Information. Before trading for yourself or others (including Proprietary Accounts or Virtual Portfolios) in the Securities of a company about which you may have received potential inside information, consider the following questions:

a. Is the information material? Is this information that an investor would consider important in making his or her investment decisions? Would this information affect the market price of the Securities if it were generally known? Could this information cause investors to change their trading?

b. Is the information nonpublic? To whom has it been provided? Has it been filed with the SEC? Has it been effectively communicated to the marketplace by being published in *Reuters Economic Services*, *The Wall Street Journal* or other publications of general circulation or appearing on the wire services or electronic media?

2. Avoid Using or Disclosing Material, Nonpublic Information. If you believe that you may possess material, nonpublic information, or if you believe the Firm's activities may have created material, nonpublic information, you should take the following steps:

a. Immediately cease all trading in Securities of the company that is the subject of the material, nonpublic information, including trading on behalf of your Virtual Portfolio and Proprietary Accounts. In addition, after you receive the information, there should be no trades in Securities of the company in question in the accounts of your Family Members or other relatives, business associates, or friends.

b. Immediately cease recommending any transaction in any of the Securities of the company in question to anyone, including Family Members and other relatives, business associates and friends. Do not post any new research or other statements on the kaChing website regarding the company in question. Do not make any comment about the company that could in any way be interpreted as a recommendation. Do not solicit anyone to buy or sell the Securities of the company in question.

c. Do not discuss the material, nonpublic information with anyone except as required by this Statement. Do not refer to the information in hallways, elevators, stairways, restaurants, taxis or any other place where you may be overheard.

C. Supervised Person or Family Member Serving as Director, Officer or Consultant. From time to time, a Supervised Person or a Family Member of a Supervised Person may serve as a director, officer or consultant for a company the Securities of which may be traded in a Virtual Portfolio, or otherwise be subject to black-out periods or other restrictions on trading in the Securities of such a company. In that case, the Supervised Person must disclose the name of such company to the Firm and take additional precautions to prevent inadvertent violations of this Statement and to avoid the appearance of impropriety. **The Firm's Trading Instruction System will not permit a Genius to place trades in the Securities of the company or companies of which such Genius or his or her Family Members is an Insider or otherwise subject to trading restrictions.**

D. Supervisory Procedures. The Firm's supervisory procedures have two objectives: preventing and detecting insider trading.

1. Preventing Insider Trading. To prevent insider trading, the Firm is taking steps, such as adopting and implementing this Statement, to familiarize Supervised Persons with the nature of insider trading and with the Firm's policies and procedures relating to insider trading. The Firm also reviews this Statement on a regular basis and updates it as necessary. The Firm has designated the CCO as the person responsible for answering questions about material, nonpublic information and insider trading and tipping. The Firm will help Supervised Persons to determine whether information is material and nonpublic.

2. Detecting Insider Trading. To detect insider trading, the Firm has adopted the policies and procedures relating to personal Securities transactions by the Firm's Supervised Persons and Family Members set forth in Part I. Supervised Persons should direct any questions about these policies and procedures or how they apply in particular situations to the CCO.

E. Manipulative Practices. Section 9(a)(2) of the Exchange Act makes it unlawful for any person, acting alone or with others, to effect a series of transactions in any Security registered on a national Securities exchange creating actual or apparent active trading in such Security or raising or depressing the price of the Security, with the intent to manipulate and for the purpose of inducing the purchase or sale of such Security by others. Rule 10b-5 under the Exchange Act has been interpreted to proscribe the same type of trading practices in over-the-counter Securities.

The purpose of section 9(a) is not to prohibit market transactions that may raise or lower the price of Securities, but to keep an open and free market where the natural forces of supply and demand determine a Security's price. Therefore, price changes resulting from supply and demand fluctuations are not prohibited and purchases or sales may cause Securities prices to rise or fall without violating the Securities laws. Section 9(a)(2) prohibits a series of trades or apparent trades that has no intrinsic investment purpose but is done with the fraudulent intent and purpose of inducing others to trade the Security.

F. Anti-Fraud Requirements. As an investment adviser, the Firm is subject to a high standard of serving as a fiduciary of its Customer Accounts and making full and accurate disclosures to Customers and potential Customers. Employees are subject to the communications policies and procedures in Parts III.C and IX.A. The Firm's software analyzes and discloses each Virtual Portfolio's risks and particular characteristics of the types of investments and style of investing and particular characteristics that would make it inappropriate for particular Customers. Each Genius must disclose fully and fairly all other material information concerning his or her Virtual Portfolio, including, but not limited to whether the Genius has other obligations that might prevent him or her from devoting sufficient attention to the Virtual Portfolio. In addition each Genius must accurately disclose any changes to such information before those changes are effective.

G. Confidentiality and Privacy of Customer Personal Information.

1. Financial Privacy. It is the Firm's policy to protect, through administrative, technical and physical safeguards, the security and confidentiality of financial records and other nonpublic personal information concerning Customers and potential and former Customers, including protecting against any anticipated threats or hazards to the security of such information and unauthorized access to or use of such information. The Firm's [Privacy Policy](#), which is posted on kaChing's website, describes the website's privacy practices applicable to all users of the website, including Customers, Geniuses and other users.

2. Geniuses. Geniuses may not disclose nonpublic personal information (such as account balance) of any Customer whose Customer Account mirrors such Genius's Virtual Portfolio, or any Customer whose Customer Account has previously mirrored that Genius's Virtual Portfolio, except that this restriction shall not apply to information disclosed by the Customer on the kaChing website to other users. Geniuses should not print out or save to their own computers any files or messages containing nonpublic personal information of Customers; all such information must be stored only on the kaChing website. The Firm will determine that the policies and procedures of an Excluded RIA Genius includes safeguards for nonpublic personal information of Customers.

3. Employees. Confidentiality, privacy and proprietary data policies and procedures affecting Employees are at Part III.F of this Statement.

H. Geniuses' Log-In Credentials. Use of the kaChing website by each Genius is subject to the applicable [Genius Consulting Agreement](#) and, in the case of a Genius other than an Excluded RIA Genius, the Genius Policies and Procedures. Each Genius understands that he or she is responsible to kaChing with respect to its fiduciary duty to the Customers. Each Genius must not allow anyone else to access his or her kaChing user account and will use every precaution to protect his or her log-in credentials and shall immediately notify kaChing if he or she suspects unauthorized activity in his or her user account. Each Genius shall also install and maintain reasonably up-to-date anti-virus and anti-malware software to prevent unauthorized access into his or her user account.

Part III.

CODE OF EMPLOYEE CONDUCT

A. Outside Activities. Each Employee should notify the CCO immediately when he or she receives this Statement if the Employee either (1) engages in any outside activity that involves a material time commitment, provides for compensation to the Employee or involves employment, teaching assignments, lectures, publication of articles, or radio or television appearances, or (2) proposes to engage in such an activity while he or she is an employee of the Firm. The CCO may require full details about the outside activity, including the number of hours involved and the compensation that the Employee will receive. New outside activities, including acting as an officer or director of any business, charitable organization or non-profit organization, require the consent of the CCO, which may not be unreasonably withheld.

B. Conflicts of Interest. It is a violation of an Employee's duty of loyalty to the Firm for that Employee, without the CCO's prior consent, to:

1. Rebate, directly or indirectly, to any person or entity any compensation received from the Firm;

2. Accept, directly or indirectly, from any person or entity, other than the Firm, compensation of any nature as a bonus, commission, fee, gratuity or other consideration in connection with any transaction on behalf of the Firm or a Customer Account (for example, directing a particular transaction in exchange for any such compensation); but see Part III.H below regarding permissible gifts where no such *quid pro quo* relationship exists; or

3. Beneficially own any Security of, or have, directly or indirectly, any financial interest in, any other organization engaged in any Securities, financial or related business, unless previously disclosed to the CCO pursuant to Part I (Personal Securities Transactions).

C. Communications. Each Employee must ensure that communications (whether written or oral) regarding the Firm or any Customer Account to Customers, prospective Customers and regulatory authorities are accurate. The CCO supervises the appropriate Employees and, if the CCO deems it appropriate, any third-party service provider (such as a custodian, accountant or law firm), in reviewing any marketing materials, periodic letters to Customers or potential Customers, published prior performance and advertisements.

D. Unsubscribe Notices on E-mail Communication. It is the Firm’s policy not to send unsolicited e-mails to any Customer, any user who is not a Customer or Genius or any non-user. If the Firm changes this policy and sends any “unsolicited commercial e-mails” (any e-mail message, the primary purpose of which is the commercial advertisement or promotion of a commercial product or service) should include a legend that complies with the CAN-SPAM Act of 2003. Employees should obtain the appropriate form of such legend from the CCO.

E. Protection of Client Assets. No Employee shall use the assets of any Customer Account for his or her own purpose or benefit or receive such assets for any reason. Any Employee who knows or has reason to believe that another Employee has engaged in such behavior must immediately report such information to the CCO. Any Employee who accidentally receives assets of a Customer Account should immediately (and in any event within three business days) return such assets to the person from whom they came.

F. Proprietary Data, Privacy Requirements.

1. Proprietary Data; Privacy and Confidentiality. Information regarding trades or potential trades for the Geniuses’ Virtual Portfolios, the Firm’s proprietary data or information about the Firm or Customer Accounts (including the Customers’ identities and personal information, but not including information that is available to other users on the kaChing website) (“Confidential Information”) is strictly confidential and may not be revealed to third parties, except as required for Firm business. Such Confidential Information is the property of the Firm, or, in the case of kaChing data generated by a kaChing user, such user has granted the Firm a royalty-free license to such data as provided in the Website’s [Terms of Use](#). Disclosing Confidential Information to any third party, without the permission of the CCO, will subject the Employee to discipline or sanctions by the Firm at the Firm’s sole discretion, including fines, dismissal, suspension without pay, loss of pay or bonus, loss of severance benefits, demotion or other sanctions. This confidentiality obligation continues even after the termination of employment.

The Firm’s policy to protect the security and confidentiality of the personal and financial information of the current, prospective and former Customers is stated at Part II.G of this Statement. This policy is implemented as follows:

a. The CCO. The Firm has designated the CCO to coordinate its information security program. The CCO is responsible for (i) assessing existing risks to Confidential Information, (ii) developing ways to manage and control these risks, (iii) monitoring third-party service provider arrangements to ensure information security, and (iv) periodically reviewing, monitoring, testing and revising the program in light of relevant changes in technology and threats to Confidential Information.

b. Identifying Internal and External Risks to Customer Information. The CCO reviews reasonably foreseeable internal and external risks to the security, confidentiality and integrity of Confidential Information, including risks relating to (i) Genius agreements to maintain confidentiality, (ii) Employee training, (iii) changes to the Firm’s information systems, including network and software design, information processing, storage, encryption security, transmission and disposal, and (iv) procedures to detect, prevent and

respond to attacks, intrusions or other system failures. The CCO assesses the likelihood and potential damage of these risks and the sufficiency of any safeguards in place to control these risks. The CCO meets periodically with Employees to review and implement the program and is available to answer questions regarding the program.

2. Information Safeguards. All Confidential Information relating to Customers and Geniuses is encrypted using reasonable measures designed to protect against unauthorized access, as recommended from time to time by the Chief Technology Officer. Employees may not disclose the Confidential Information to anyone outside of the Firm, except as may have been authorized by the Customer or as may be required in servicing the Customer Account (such as disclosure to IB) or for the business of the Firm (such as disclosure to the Firm's auditors and lawyers or as required by law). Employees should direct to the CCO any questions about whether information is confidential or any disclosure is permitted. This confidentiality obligation continues even after the termination of employment.

To protect the Confidential Information and the confidentiality of existing, former or potential Customers, Employees should take the following additional security precautions:

- a. Except as required for Firm business, Employees may not print, photocopy, e-mail to a personal account or otherwise duplicate any information that contains Confidential Information or take any such information from the Firm's offices without the prior consent of the CCO. Any physical information removed from the Firm's offices must be returned to the Firm. All copies and originals of such information must be disposed of in a way that keeps the information confidential, such as shredding. (No document may be destroyed if the Firm is required to keep it – as further described in Part VII below.) Employees must keep all paper copies of Confidential Information that are not in use off desk tops, conference tables or any other place where such copies would be visible to persons who are not authorized to have access to such information.
- b. All computer drives containing Confidential Information must be accessible only by the use of strong passwords. Backup records and archived data are stored in a secure manner. Employees must take precautionary measures during each day to ensure that Confidential Information on those computers is not visible to persons who are not authorized to have access to such information. For example, the Firm may use password-activated screen savers to lock computers containing confidential or proprietary information after a period of inactivity. At the end of each day and at other times that an Employee leaves his or her computer for an extended period, such Employee must log off his or her computer.
- c. If any laptop or other computer drive or storage medium containing confidential or proprietary information is taken outside the Firm's offices, such as to a service provider, an Employee's residence, a client meeting or business travel, such data must be encrypted at the level described in the

first sentence of this section III.F.2 and the responsible Employee must take extra precautions to protect against theft or loss, such as keeping the item with the Employee, in a safe, or in a locked area.

- d. Employees must use extreme care in messages on the kaChing website and e-mail correspondence to assure that Confidential Information is not inadvertently distributed to unauthorized persons.
- e. Physical access to any non-electronic Confidential Information must be limited by either locking or monitoring access to the offices and storage areas where such information is located.

3. **Third Party Service Providers.** At times, the Firm may enter into one or more agreements with third parties under which the Firm may provide confidential information to those third parties. If this occurs, the Firm will oversee these service providers by (i) using reasonable efforts to include in the relevant agreements provisions protecting confidential information to the extent required by law and (ii) taking reasonable steps to select and retain service providers that are capable of maintaining appropriate safeguards for confidential information. Employees should direct any questions about these agreements or the disclosure of information pursuant to them to the CCO.

G. Involvement in Litigation/Contacts with Regulatory Authorities or the Press.

An Employee should advise the CCO immediately if he or she is contacted by any regulatory authority (including the SEC, FINRA, any Securities exchange or any state regulatory authority) or the press or becomes involved in or threatened with litigation or an administrative investigation or proceeding of any kind, is served with a subpoena, becomes subject to any judgment, order or arrest. Employees should refer all inquiries from all regulatory authorities or the press to the CCO.

H. Favoritism, Entertainment and Gifts.

1. **Receipt by Employees.** An Employee may not seek or accept gifts, favors, preferential treatment, or valuable consideration of any kind offered from brokers or other companies or persons involved in the Securities industry.

2. **From Employees.** An Employee may not offer or give any gift, favor, preferential treatment or other valuable consideration of any kind in connection with the Firm's business, except for occasional and reasonable gifts and entertainment (if the Employee is present). Employees must not make any payments in connection with the Firm's business to a labor organization (including any union-affiliated pension plan (a "Taft-Hartley Plan")) or its officers, agents, shop stewards, employees or other representatives (such as union-appointed trustees).

I. Registration, Licensing and Testing Requirements. Each Employee should check with the CCO to ensure that he or she has complied with any applicable registration, licensing and testing requirements required as a result of such Employee's duties and position. These requirements may arise under the Advisers Act, the Securities Act of 1933, the Exchange Act, the Employee Retirement Income Security Act of 1974, state broker-dealer and investment

adviser statutes, rules and regulations adopted by the SEC, the Department of Labor and other regulatory authorities.

The CCO will monitor the states of residence of the Customers and assure that the Employees who are responsible for determining personal investment advise to Customers qualify as Investment Adviser Representatives in the states in which the Customers reside, as described at Part IX.H.

J. Solicitors. The Firm does not intend to engage any finders or solicitors or pay any third parties solicitation fees. For example, all website “affiliate” arrangements will be reviewed by the CCO to assure that the arrangement is not a solicitation under SEC Rule 206(4)-3. No such arrangement may be made without approval of the CCO. If the Firm does engage any finder or solicitor, it will comply with applicable rules regarding solicitation activities.

K. E-mail, Instant Messaging and Internet Chats and Message Communication. The Firm and all Employees shall conduct all Firm communications and correspondence through the kaChing website messaging or posting features, through Google mail (Gmail) or by paper correspondence (which may be sent by mail or by facsimile transmission). Firm communications and correspondence shall not be sent using instant messaging. The Firm is required to maintain copies of all correspondence sent or received relating to (A) any recommendation made or proposed to be made and any advice given or proposed to be given, (B) any receipt, disbursement or delivery of funds or securities, or (C) the placing or execution of any order to purchase or sell any security. All such messages sent by Employees over the Firm’s website shall be retained. Any Employee who sends or receives e-mail correspondence in any of those three categories shall save a copy of that e-mail through the Firm’s e-mail service from Google. The saved message shall contain at least the date and time of each e-mail and message, sender’s address, recipient’s address and subject. A copy of all paper correspondence shall be provided to the CCO.

All messages sent through the Firm’s website and the Employee’s Gmail account used for Firm business (whether or not Firm-related) are the Firm’s property, may be retained indefinitely, are subject to periodic review by the Firm or its agents (such as attorneys and compliance consultants), and may be subject to review by regulatory authorities.

Part IV.

TRADING AND VALUATION PRACTICES

A. Trading Policy. The Firm has a fundamental fiduciary duty to act in the best interests of its clients, the Customers, with undivided loyalty to each. Nevertheless, because the Firm has multiple clients, its duty of loyalty to one Customer may conflict with its duty of loyalty to another. To resolve this conflict of interest, the Firm has adopted a policy to provide equal and fair treatment to all Customers over time, consistent with the Firm's duty of loyalty. No client should receive preferential treatment over any other. In particular, trading instructions for all Customer Accounts that mirror the same Virtual Portfolio will be given to all custodians simultaneously.

The Firm does not execute orders. Instead, orders are generated automatically based on the transactions in the Virtual Portfolio that the Customer Account mirrors. The Firm gives these orders to the custodian of the Customer Accounts that follow such Virtual Portfolio (currently IB), and that custodian executes the orders for the Customer Accounts. IB has informed the Firm that all orders for a particular trade for the Customer Accounts following a specific Virtual Portfolio trade will be executed together (in one or more transactions) and each Customer Account will receive its pro rata share of the particular trade at the average execution price. The Firm itself does not aggregate trades or engage in cross-trading between Customer Accounts.

At least once each calendar week, the Firm reviews the Securities in 5% of the Customer Accounts for their appropriateness for that Customer Account and for compliance with (1) the agreement or policy applicable to the Firm or such Customer Account and (2) any applicable regulatory restriction applicable to the Firm or such Customer Account. In addition, the Firm takes the actions described in Part IX.D to determine that the Virtual Portfolio selected by a Customer to mirror continues to be appropriate and that restrictions on the Customer Account are up to date for such Customer.

B. Trade Errors. The Firm has an obligation to place orders correctly for Customer Accounts. Orders are placed automatically, and the Firm's sole responsibility is to issue trading instructions to the custodian that a Customer has chosen for his or her Customer Account. If the Firm makes an error in issuing such instructions, the Firm corrects the error as quickly as possible after detection and bears all costs of correcting that error. The longer an erroneous trade remains undetected and uncorrected, the greater the difficulty in determining the cost of the error. An undetected or uncorrected error also may result in the Firm's records not being accurate and current. An Employee should not delay correcting a trade error in the hope that a favorable market or offsetting transaction will allow the error to be corrected with no loss to the Customer Account or cost to the Firm. If an Employee believes that the Firm has made a trade error in a Customer Account, that Employee should contact the CCO immediately. The CCO should prepare or approve a written memorandum documenting the instruction error and its resolution and file the memorandum in the Firm's trade error log. The following are examples of trade errors:

1. Issuing an instruction to buy or sell a Security that results in the Customer Account being managed contrary to the Customer's instructions (for example, buying a stock that is on the Customer Account's restricted list);
2. Issuing an instruction with respect to the wrong Customer Account;
3. Issuing an order as a sell rather than a buy or vice versa or for an incorrect number of shares (for example, 1,000 instead of 10,000 shares);
4. Issuing orders to buy or sell the wrong Security (for example, buying ticker symbol ZYX instead of XYZ); and
5. Incorrectly noting the price executed.

If a trading mistake listed in item 5 above is identified in the trade reconciliation process and is corrected before any Customer Account incurs a loss as a result, the correction is not considered a trading error.

C. Execution Services. At this time, the Firm has established and tested its website trading instruction program with IB. In setting up participation arrangements with brokers, the Firm may consider a number of factors, including, for example, net price, the quality of the broker's interface with the kaChing trading instruction program, commission rates, execution quality and other matters involved in the receipt of brokerage services generally.

Annually, the CCO evaluates the trade execution services of each custodian that holds Customer Accounts (currently only IB), including comparing those services to the services available from other custodians to determine if the Firm is achieving best execution in client transactions. As part of those evaluations, the Firm considers, among other things, the performance of Customer Accounts between alternative brokers, the quality of execution services, the desirability of adding or removing brokers (based on the Firm's assessment of the value that each broker adds to the Customer Accounts) and the appropriate level of commission rates.

D. Valuation. IB reports delayed pricing, actual trading prices and performance of Customer Accounts periodically to the Customers. The Virtual Portfolios show delayed pricing on the kaChing website.

Part V.

ANTI-MONEY LAUNDERING

A. The Firm.

1. The Firm has appointed E. J. Borrack as its “AML CCO” to serve until she resigns or is replaced by the Firm.

2. If the Firm has any reason to suspect that a Customer is involved in money laundering, the CCO may obtain updated copies of government watch lists prepared by the Office of Foreign Assets Control (www.ustreas.gov/ofac) and by the SEC (www.sec.gov/news/headlines/recordsearch.htm) and compare the names on the watch lists with the name of the Customer.

3. An Employee should notify the [CCO](#) immediately if he or she suspects that money laundering activities are taking place in relation to a Customer Account. Current regulations do not define money laundering activities, but at least the following matters should be reported to the CCO:

a. Wire transfers from or transactions with a person located in a country or territory that is neither a member of the Financial Action Task Force (the “FATF”) nor a member of a regional organization that is a member of the FATF; a list of FATF members can be obtained from the FATF web site: www.fatf-gafi.org;

b. A Customer is a bank or other institution that is acting as an agent for an undisclosed principal;

c. A Customer makes frequent investments/contributions and closes the Customer Account within a short time, or opens and closes many Customer Accounts within a short time;

d. A prospective Customer is a senior foreign political figure¹, immediate family member of a senior foreign political figure² or close associate of a senior foreign political figure³ (as reported by the prospective Customer in establishing the Customer Account);

¹ A “senior foreign political figure” is a senior official in the executive, legislative, administrative, military or judicial branch of a foreign government (whether elected or not), a senior official of a major foreign political party, or a senior executive of a foreign government-owned corporation. A “senior foreign political figure” also includes any corporation, business or other entity that has been formed by, or for the benefit of, a senior foreign political figure.

² The “immediate family of a senior foreign political figure” typically includes the figure’s parents, siblings, spouse, children and in-laws.

³ A “close associate of a senior foreign political figure” is a person who is widely and publicly known to maintain an unusually close relationship with the senior foreign political figure, and includes a person who is in a position to conduct substantial domestic and international financial transactions on behalf of the senior foreign political figure.

e. A Customer has an unusual concern about the Firm's compliance with the Firm's anti-money laundering practices or other governmental reporting obligations; or

f. A Customer has insufficient concern about investment performance.

4. If the CCO becomes aware of any suspicious activity, the CCO will:

a. Immediately consult with the Firm's legal counsel;

b. If permissible under the contract or other arrangement governing the Firm's relationship with the suspected Customer, immediately suspend all activity in the account of the suspected Customer;

c. Notify the SEC (or other governmental agency that the CCO considers appropriate) immediately and act in accordance with any instructions provided in writing by the SEC (or such other governmental agency); and

d. Unless otherwise instructed in writing by the SEC (or such other governmental agency), determine whether the Firm should terminate its relationship with the suspected Customer.

B. Ongoing Training. Before any Employee assumes any anti-money laundering responsibilities, and when such training is required by applicable law, the Firm will train such Employee regarding the anti-money-laundering requirements of this Statement as well as specific requirements that are relevant to such Employee's functions and the signs of money laundering that can arise in the course of such Employee's duties. Appropriate topics for a training session include, among other things, a description of money laundering, how money laundering is carried out, what types of activities and transactions should raise concerns, what steps Employees should follow when suspicions arise, and the existence and use of Office of Foreign Assets Control and other government agency lists. Employees also should receive periodic updates and additional training regarding the anti-money laundering requirements of this Statement. An Employee should consult the CCO if he or she has any questions regarding the requirements of this Statement.

C. Audits. When required by applicable law, the Firm will have an independent audit (as that term is used in and interpreted under the USA PATRIOT Act of 2001) of its anti-money laundering program at least annually.

Part VI.

PROXY VOTING

A. **Customer Accounts.** The custodians for Customer Accounts deliver to each Customer all proxy solicitation materials that the custodian receives for that Customer's Customer Account. The Firm does not exercise voting authority with respect to any Securities.

B. **Disclosure to Customers.** The Firm includes in Part II of its Form ADV a statement that it does not exercise voting discretion.

C. **Records.** See Part VII.B regarding records that the Firm must maintain relating to proxies.

Part VII.

RECORDKEEPING REQUIREMENTS

Under the Advisers Act, the Firm must retain the following records for at least five years from the end of the fiscal year during which the last entry is made on such record or for at least five years from when the Firm directly or indirectly published or otherwise made the communication, unless otherwise indicated. For the first two years of this period, such records must be located at the Firm's principal office or retrievable at any time. The Firm maintains most of these records electronically, following the procedures described in section H.3 of this Part VII.

This Statement addresses only the recordkeeping requirements under the Advisers Act. Various other local, state and federal laws, rules and regulations apply to creating, maintaining and destroying records.

A. Financial Records.

1. Journals. A journal or journals, including cash receipts and disbursements records, and any other records of original entry forming the basis of entries in any ledger.
2. Ledgers. General and auxiliary ledgers reflecting asset, liability, reserve, capital, income and expense accounts.
3. Banking Records. All checkbooks, bank statements, cancelled checks and cash reconciliations.
4. Invoices. All bills or statements of account (or copies thereof), paid or unpaid, relating to the Firm's or any of its affiliates' businesses.
5. Accounting Records. All trial balances, financial statements and internal audit working papers relating to the Firm's or any of its affiliates' businesses.

B. General Records.

1. Organizational Documents. Fully executed organizational documents for the Firm and its affiliates, such as the operating agreement, partnership agreement, charter, minute books and ownership records for each such entity. **The Firm must maintain these records, either on paper or on the Firm's hosting server, in its principal office and preserve them until at least three years after termination of the Firm's business as an investment adviser.**
2. List of Accounts. A list of all Customer Accounts.
3. Client Contracts. The Firm's agreement for each Customer Account.
4. Other Agreements. Other written agreements relating to the Firm's investment advisory business, including but not limited to:

- Accounts;
- a. Agreements with the brokers or custodians that hold the Customer
 - b. Service agreements;
 - c. Employment agreements; and
 - d. Genius Consulting Questionnaires and Agreements.

5. Policies and Procedures.

- previous five years;
- a. This Statement, and all policies and procedures in effect during the
 - b. Any records documenting the Firm's annual review of the policies and procedures in this Statement;
 - c. Records of violations of the Firm's Code of Ethics (the Introduction and Parts I, II and III of this Statement) and actions taken as a result of such violations,
 - d. A copy of the signed, written acknowledgment of receipt of this Statement for each person who is, or within the past five years was, an Employee of the Firm, and
 - e. Records establishing the acknowledgement of receipt of this Statement for each person who is, or within the past five years was, a Genius.

6. List of Employees and Geniuses. A record of the names of current Employees and Geniuses and persons who, within the past five years were Employees or Geniuses.

7. Anti-Money Laundering Records. Any records generated in connection with compliance with this Statement's anti-money laundering policies and procedures or applicable law relating thereto.

8. Gift Records. Pursuant to Part III.H.2, records regarding payments to a labor organization (including a Taft-Hartley Plan) and any related person of such an organization.

9. Forms. The Firm's forms, including:

- a. Current, complete copies of the Firm's Terms of Use and Privacy Policy for the kaChing website;
- b. Genius Consulting Agreement;
- c. Employment Agreement, Stock Option Agreement, Invention Assignment Agreement and Consulting Agreement; and

d. kaChing Customer Account Agreement.

C. Trading Records.

1. Order Memoranda. Records showing separately for each Customer Account the Securities purchased and sold, the date, amount and price of each such purchase and sale and a statement that the order was entered pursuant to the Firm's discretionary investing authority. Orders should identify the Genius whose Virtual Portfolio trade triggered the trade in the Customer Account, and the executing broker. The Firm must maintain records of any cancelled or modified records.

2. Client Portfolio Positions. Records of the current amount or interest of each Customer Account in each Security in which any such Customer Account has a current position.

3. Instructions from Clients. Records of any instruction (or modification or cancellation of any instruction) that the Firm receives from a Customer concerning the purchase, sale or delivery of any Security, including the terms and condition of the instruction, modification or cancellation. The Firm does not accept oral instructions concerning Securities or Customer Accounts. If a Customer asks to give oral instructions to an Employee, the Employee should instruct the Customer to submit the instruction over the website through the Customer's user profile, or by e-mail to support@kaching.com.

D. Client Communications.

1. Investor Suitability. Records of all information that the Firm obtains regarding the suitability of each prospective Customer.

2. Written Marketing Communications to Ten or More Persons. A copy of every notice, circular, advertisement, newspaper article, investment letter, bulletin, e-mail or other communication that the Firm or any of its affiliates circulates or distributes, directly or indirectly, to ten or more persons (other than to persons connected with the Firm or its affiliates), including a copy of each page of the Firm's website (other than the pages of users who are not Geniuses) and each changed page thereto.

3. Records Supporting Performance Advertising. All accounts, books, internal working papers and any other records or documents that are necessary to form the basis for or demonstrate the calculation of the performance or rate of return of any or all Customer Accounts or Securities recommendations in any marketing material, except that, with respect to the performance of Virtual Portfolio, this requirement is satisfied by retaining all underlying data and the actual formula used at any time to determine performance.

4. Communications Regarding Recommendations or Advice. All postings and website messages that Employees and Geniuses make on the kaChing website and all e-mails and other communication by Employees relating to the receipt, disbursement or delivery of funds or Securities, or placing or executing a Securities order.

E. Regulatory Filings and Communications, and Litigation and Complaints.

1. Regulatory Filings. A copy of each document that the Firm files with any state or federal agency or self-regulatory organization and that pertains to the Firm or its affiliates, including federal Securities filings and state blue sky filings.

2. Brochure. A copy of the Firm's Form ADV, Part II (including Schedule F), including the dates during which it is used, and a list of the dates and the Customer to whom the Firm gives or offers Part II of its Form ADV. In addition, if the Firm offers or gives such Form ADV, Part II to any prospective Customer (other than the availability of Part II on the Firm's website), the Firm will keep a record of the date and the name of such prospective Customer.

3. Regulatory Communications. Communications (but see *Attorney-Client Communications* below) that the Firm receives or sends regarding any SEC, state or other regulatory inspection, examination, investigation, subpoena or other action.

4. Litigation and Complaints. Communications (but see *Attorney-Client Communications* below) that the Firm receives or sends regarding any Litigation Event (see *Storage of Records – Preserving Records during Litigation* below) and regarding any complaint from a Customer.

F. Personal Securities Transactions. Records of every transaction effected in a Security in which the Firm, any Employee, any Genius or any Family Member has any direct or indirect Beneficial Ownership, including: the title and amount of each Security involved, the date and nature of each transaction (that is, purchase, sale or other acquisition or disposition), the price at which each transaction is effected, and the name of the broker, dealer or bank with or through whom each transaction is effected.

G. Attorney-Client Communications. Attorney-client communications and certain other documents, such as invoices for legal fees, prepared by legal counsel may be protected by the attorney-client privilege. Employees should not provide or disclose these materials to any third party, including Geniuses, Customers, the SEC or any state regulatory authority, without first consulting with the CCO.

H. Storing Records.

1. Form of Records. The Firm may maintain and preserve records on paper, or store them on micrographic media (including microfilm, microfiche and similar media) or electronic storage media.

2. Electronic Communications. The Firm keeps a record of all e-mails saved under Part III, section K of this Statement, which contains at least the date and time of each e-mail, sender's address, recipient's address and subject. Such e-mails are saved continually through the e-mail archival service provided by Google. Employees may not delete e-mails covered by this Statement from their desktops until those e-mails have been saved.

3. Organizing Records Stored on Media. In maintaining and preserving records on micrographic or electronic storage media, the Firm:

a. Arranges and indexes the records in a way that permits easy location, access and retrieval;

b. On the SEC's request, promptly provides (i) a legible, true and complete copy of the record in the medium and format in which it is stored, (ii) a legible, true and complete printout of such record and (iii) a means to gain access, view and print such record; and

c. Separately stores, for the time required for preserving the original record, a duplicate copy of the record on any allowable medium.

4. Special Procedures for Records Stored on Electronic Media. The Firm's records stored on electronic media are:

a. Maintained and preserved to reasonably safeguard them from loss, alteration or destruction;

b. Accessible only to properly authorized personnel and the SEC (including its examiners and representatives); and

c. Stored in a manner that permits them to be retrieved in complete, true and legible form.

5. Preserving Records during Litigation Event. Under no circumstances may any documents be purged that relate to any pending or threatened litigation or governmental or regulatory investigation, inquiry or action relating to the Firm or its affiliates (collectively referred to as a "Litigation Event"). On the occurrence of a Litigation Event, Employees must immediately cease purging any records or documents (whether electronic or written). The Employees that would be responsible for purging such records and documents are responsible for preserving them until the CCO informs all Employees that the Litigation Event is completely resolved and for coordinating those efforts with the Firm's legal counsel. Subject to the other record retention requirements, the Firm may purge records and documents preserved as a result of a Litigation Event after the Litigation Event is finally terminated.

6. Destruction of Confidential Records. The Firm burns or shreds confidential records that may be destroyed under this Statement. The Firm destroys electronic confidential records by any accepted method of electronic destruction. Confidential records include (but are not necessarily limited to) records that would provide information to competitors, records that would allow anyone unauthorized access to information, any information regarding Customer Accounts, and attorney-client communications.

Part VIII.

BACKUP PROCEDURES AND BUSINESS CONTINUITY PLAN

A. **Backup Procedures.** The Firm's electronic records are stored and accessible through computing and data storage facilities provided as a service to the Firm by Central Host, Inc. ("Central"). The Firm's agreement with Central provides that, in the event of internet or service failure, Central will immediately relocate the Firm's computing and data storage to a different location operated by Central and Central maintains continual back-up of all data.

B. **Business Continuity Plan.**

The Firm and its Employees will take the actions specified below in the event of the following disruptions:

1. **Offices inaccessible.** Employees will work at home using their home computers and telephones or at another centralized location. They will document all transactions and communications on their home computers and save to the computing and data storage provider, to the extent it is available or to the appropriate Firm system when it is accessible.

2. **Computer or server failure.** Employees will use records from IB to reconstruct Virtual Portfolio and Customer account activity and holdings, trade information and communications with Geniuses, Customers, brokers, custodians and others, and will document all transactions and communications by hand and keep all paperwork so information can be entered into appropriate system at a later time.

a. **Geniuses.** Geniuses are required by agreement to log in to the Firm's website at least one time each week (including each Sunday through Saturday), to confirm that he or she has connectivity and is actively engaged in managing his or her Virtual Portfolio.

3. **Failure of IB mission critical systems.**

a. Maintain all daily statements for Customer Accounts received from IB for the period from the beginning of the month in which the failure occurs to the date of the failure.

b. Document all transactions for each portfolio on the Firm's stored data so information can be entered when IB's systems are functional.

c. If problem continues for more than a week, the CCO will determine whether it may be necessary to move Customer Accounts to a new custodian.

Part IX.

OTHER COMPLIANCE MATTERS

A. Marketing Material and Communications with Customers.

The following summarizes certain important regulatory issues that the Firm considers when preparing marketing material. All marketing material generated by the Firm must be approved by the CCO.

1. All Marketing Material is Covered by These Rules. This Part IX.A applies to all marketing material and any communication with Customers, prospective Customers, consultants, news media or any other persons who may provide information about the Firm, its website or its business to anyone outside the Firm, including the Firm's own materials and information posted on the Firm's website by Employees.

2. Description of Investment Strategy. The Firm's investment processes and the Trading Instruction System are described on the website. Any other description of the construction or characteristics of the portfolios of Customer Accounts, including any descriptions in marketing brochures or presentations, must be consistent with the descriptions on the website.

3. Description of the Firm. The name of the Firm, kaChing Group Inc., should be used consistently throughout the Firm's marketing material.

4. Careful Drafting. Every communication between the Firm and its website users reflects on the professionalism, skill and ability of the Firm. Accordingly, Employees should exercise care in drafting any marketing material or communication, even e-mails, to insure that these materials are accurate and appropriate. For example, in discussing strategies applicable to Virtual Portfolios, words such as "typically" and "generally" should be used as appropriate. If an Employee has any questions concerning the accuracy or appropriateness of any marketing material or communication with the Firm's website users, he or she should ask the CCO.

5. Performance Data. All performance data for Virtual Portfolios must include:

a. Performance numbers for Geniuses that are net of brokerage fees, any other applicable costs and the annual management fee designated by that Genius. "Gross" data may also be provided if it is accompanied by "net" performance of equal prominence.

b. Appropriate comparable indices that have been selected by the Firm and may not be changed without the approval of the CCO.

c. Other disclosures concerning performance data that are available from the CCO.

6. No Testimonials. Marketing material may not include any statement by a former or present Customer that endorses the Firm's advisory services or refers to the Customer's favorable investment experience with the Firm.

7. Past Recommendations. All past recommendations by all kaChing website users are available at all times, except the list of Securities determined to be the daily "Investing Ideas" for the entire kaChing website. The daily Investing Ideas is a list of Securities calculated each trading day as the Securities owned in larger proportion in the virtual portfolios of the top performing kaChing users as compared to other kaChing users. Because the Investing Ideas selection changes daily and the algorithm by which it is determined has changed over time, historic Investing Ideas is not considered relevant and only the current Investing Ideas list is available at any time.

8. Representative Customers. Unless approved by the CCO, no marketing material may disclose the name of any Customer of the Firm.

9. Article Copies or Reprints. If the Firm provides a copy or reprint of a news article to any person, all of the above requirements apply with respect to that article. Therefore, in addition to requiring certain disclosures, some articles may need to be edited to remove non-compliant material. In addition, applicable laws may require, among other things, that the Firm obtain consent from the publisher or author of an article before distributing a copy or reprint of it to third parties and disclose the source of the article to each recipient of the copy or reprint. The Firm complies with any such requirements.

B. Federal Commodities Law Considerations. The Firm does not give advice or recommendations about or trade in any commodity interests or futures and therefore is not required to register as a commodity trading adviser or commodity pool operator or to seek an exemption from such registration.

C. ERISA and Owner-Only Plans. The Firm does not permit ERISA plan assets, owner-only plans or individual retirement accounts to become Customers.

D. Investment Company Act. The Firm complies with Rule 3a-4 promulgated under the ICA to ensure that the Firm's management of multiple Customer Accounts is not deemed by the SEC to result in the management of an "inadvertent investment company." To satisfy the requirements of Rule 3a-4, the Firm takes the following actions:

1. The Firm obtains information from each prospective Customer about his or her financial situation, investment experience, investment objectives and account restrictions. The Firm will approve the Customer for mirroring a Virtual Portfolio only if the Virtual Portfolio chosen by the prospective Customer is consistent with his or her stated objectives using the algorithms built into the kaChing website. In addition, if the prospective Customer is an Insider of an issuer or is either prohibited from investing in or subject to blackout periods with respect to such issuer's Securities, the Customer Account will be restricted from transactions in such issuer's Securities. Information about these issues is obtained by the Firm in the Customer Questionnaire.

2. On a quarterly basis, the Firm contacts each Customer (either by e-mail, by message over the website or in a live telephone call) to ask the Customer to re-confirm to kaChing that the Customer's financial situation or investment objectives have not changed, that the Virtual Portfolio he or she is mirroring is still appropriate and whether the Customer desires to impose any restrictions on the management of the Customer Account or modify any existing restrictions. Copies of these messages to the Customers and a record of the responses, if any, shall be saved as provided in Part VIII.H.

3. Each Customer Account's management fee statement states: "If there have been any changes to your financial situation or investment objectives, or if you wish to impose any new (or modify any existing) restrictions on the management of your account, please adjust your account settings."

4. The Employees responsible for monitoring the Customer Account objectives and restrictions are reasonably available to each Customer by website messages and e-mail for consultation and have access to the information provided by the Customer. In addition, Employees are available by telephone to assist Customers after the initial contact by message or e-mail.

5. At least quarterly, each Customer receives directly from IB a statement listing all transactions made in the Customer Account, all contributions and withdrawals, all management fees and expenses charged to the Customer Account and the value of the Customer Account at the beginning and the end of the period.

6. Each Customer Account is retained by a custodial broker in a manner that provides the Customer the right to: (a) withdraw the full amount of such Account (but not less than the full amount); (b) vote Securities; (c) be provided timely written confirmation of each Securities transaction and all other documents required by law to be provided to Securities holders; and (d) proceed directly as a Security holder against the issuer of any Security in a Customer Account and not be obligated to join with any other Customer Account as a condition precedent to initiating such proceeding.

E. Limitations on Investment in Mutual Funds. Generally no Customer Account may purchase more than 3% of any ETF, although there may be exceptions for the purchase of registered money market funds.

F. Reporting Requirements for Large Holdings.

1. Schedules 13D and 13G. If the total Beneficial Ownership of all Customer Accounts and Proprietary Accounts of any class of equity Securities registered under the Exchange Act exceeds 5% of such class of such Security, Exchange Act section 13(d) requires the Firm to file Schedule 13D or 13G with the SEC. The Firm typically has, through the mirrored Virtual Portfolios, discretionary authority to purchase and sell the Securities held by the Customers; therefore, the Firm and its control persons have Beneficial Ownership of the Securities held by the Customers.

Schedule 13D must be filed within 10 days after the date when Beneficial Ownership exceeds 5%, and must be amended promptly if the information changes materially.

The Firm may file a Schedule 13G instead of a Schedule 13D if the Firm is (1) a “passive holder” (that is, it acquired the Securities in the ordinary course of business and without the purpose or effect of changing or influencing the control of the issuer) and (2) registered as an investment adviser with the SEC or a state. The Firm generally is not required to file its initial Schedule 13G until 45 days after the end of the year in which it becomes subject to the filing requirements, unless the Firm’s Beneficial Ownership exceeds 10% on the last day of any month before the end of that year, in which case the Firm must file its initial Schedule 13G within 10 days after the end of that month. The Firm must amend its reports on Schedule 13G within 45 days after the end of each calendar year, as well as within 10 days after the end of the first month in which its Beneficial Ownership as of the last day of that month exceeds 10%, and thereafter, within 10 days of the end of the first month in which its Beneficial Ownership as of the last day of that month changes by more than 5%.

For administrative ease, the Firm typically will make a joint filing of a Schedule 13G with the Firm’s control persons (such as the major owners of the Firm) and Geniuses (if any) having discretionary authority over 5% of the class of Securities. When making such joint filings, however, the Firm will not be able to take advantage of the relaxed Schedule 13G filing requirements described in the preceding paragraph if (1) any individual Customer Account has Beneficial Ownership of more than 5% of a Security and the Firm and Customer Accounts are a “group,” if the Customer Account is not one of the types of persons entitled to those relaxed filing requirements, or (2) a control person of the Firm holds more than 1% of the class of Securities. To determine a control person’s interest, such person’s direct ownership of the Securities must be aggregated with such person’s indirect ownership interests.

Even if the Firm (or control person) is not eligible for the relaxed Schedule 13G filing requirements described above, so long as it is a “passive holder” as described above and Beneficially Owns, directly or indirectly, less than 20% of the outstanding Securities of the applicable class, it can nevertheless file a Schedule 13G, albeit on a less relaxed timetable. In that case, the Firm must file an initial Schedule 13G within 10 days after becoming subject to the filing requirements. The Firm must amend its reports on Schedule 13G within 45 days after the end of each calendar year, as well as promptly when its Beneficial Ownership exceeds 10% and, thereafter, promptly when its Beneficial Ownership changes by more than 5%.

2. Schedule 13F. If the Firm, on the last trading day of any month of a calendar year, exercises through Geniuses investment discretion over \$100,000,000 or more invested in equity Securities traded on stock exchanges (including the Nasdaq Stock Market), the Firm must report to the SEC on Form 13F its holdings as of December 31 of such year. The initial report is due by February 14 of the following year. Thereafter, a Form 13F filing is required within 45 days after the end of each calendar quarter. The last Form 13F filing required is with respect to the last quarter of the calendar year after the calendar year in which the Firm does not have investment discretion over at least \$100,000,000 invested in equity Securities on the last trading day of any month. In calculating its assets under management, the Firm must include all personal Securities portfolios over which persons under its control exercise investment discretion (which may include portfolios held by such persons’ family members). Filed Forms 13F are publicly available unless the Firm applies to the SEC for, and the SEC grants, confidential treatment. The SEC rarely grants confidential treatment.

3. Forms 3, 4 and 5. The Firm will apply trading limits to avoid acquiring Beneficial Ownership of more than 10% of any class of an issuer's outstanding equity Securities registered under the Exchange Act.

4. Form SH. If the Firm is required to file a Form 13F (see Part IX, section F.2), the Firm must also report certain of its short sales and positions in a weekly filing of Form SH.

5. Hart-Scott-Rodino Filings. Under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (the "HSR Act"), the Firm (or one or more of its Customer Accounts) may be required to file a confidential notice with the Federal Trade Commission (the "FTC") and the Department of Justice (the "DOJ") before acquiring a substantial amount of voting Securities or assets of an issuer (whether such issuer's Securities are publicly-traded or privately-held). After the notice is filed, the acquisition cannot be consummated until the FTC and DOJ have reviewed the transaction's competitive effects and consented to it.

Various thresholds trigger a filing requirement under the HSR Act, and the computation of each threshold can be complicated and depends on the individual facts and circumstances of the particular situation. The application of the thresholds to investment advisers' Securities purchases is not always clear. The CCO should notify the Firm's outside counsel immediately if the Firm and its Customer Accounts together intend to engage in a transaction that will result in their collectively owning more than \$65.2 million of an issuer's voting Securities. This dollar threshold and the other thresholds under the HSR Act change annually based on changes to the gross national product.

Certain types of acquisitions are exempt from the HSR Act filing requirements, even if they exceed the \$65.2 million threshold. For example, an acquisition of voting Securities is exempt from the HSR Act filing requirements if it is made "solely for the purpose of investment" and if, as a result of such acquisition, the Securities acquired or held do not exceed 10% of the outstanding voting Securities of the issuer. Securities are acquired "solely for investment purposes" if the acquirer does not intend to participate in formulating, determining or directing the basic business decisions of the issuer. The "solely for the purpose of investment" exemption is not available to an acquirer who intends to obtain a seat on the issuer's board of directors. Acquisitions of convertible voting stock also are exempt from the HSR Act filing requirements, as are acquisitions of voting stock of non-U.S. issuers whose U.S. assets and sales are below specified thresholds.

G. Exchange Act Section 16(b) Short-Swing Profit Rule. Exchange Act section 16(b) subjects Insiders to liability for "short-swing" profits, defined as profits from the Insider's purchases and sales or sales and purchases of Securities of the issuer within any six-month period. An Insider is subject to the short-swing profit recapture rule to the extent of the Insider's pecuniary interest in the Securities. The transaction that results in a person becoming an Insider is not subject to the short-swing profit recapture rules, unless that person is already otherwise subject to Exchange Act section 16 with respect to the same issuer (such as an officer or director of the issuer). Complex and technical issues are involved in determining an Insider's "pecuniary interest", computing profits, matching purchases and sales of Securities within a

six-month period, determining what types of transactions constitute purchases and sales, and determining which transactions are exempt from Exchange Act sections 16(a) and 16(b).

H. State Investment Adviser and Investment Adviser Representative Registration and Filing Requirements. The Firm is not required to register as an investment adviser with any state so long as it remains registered as an investment adviser with the SEC. The Firm may be required, however, to make a notice filing and may be required to register its investment adviser representatives (“IARs”) in any state in which the Firm has a client or has a place of business. Each state’s rules and regulations vary regarding these filing and registration requirements. Those Employees who monitor the Customer Accounts for trading restrictions and objectives and who are available to discuss Customers’ questions are the Firm’s IARs. Currently, the Firm does not register its IARs in any state, because fewer than ten percent of the Firm’s clients are individuals with a net worth of less than \$1.5 million. The CCO monitors this percentage and determines when the Firm must cause any Employee to register as an IAR with any state.

EXHIBIT A

EMPLOYEE CERTIFICATE OF RECEIPT

STATEMENT OF POLICIES AND PROCEDURES

I hereby certify that I have received and read the Statement of Policies and Procedures of kaChing Group Inc. I have had the opportunity to ask any questions I may have had concerning the meaning or interpretation of such policies and procedures. I understand that such Statement is applicable to me. I agree to comply in all respects with such Statement.

Signed:

Print Name: _____

Date: _____

EXHIBIT B

SECURITIES ACCOUNT DISCLOSURE FORM AND INITIAL HOLDINGS REPORT

kaChing Group Inc.

Attention: E. J. Borrack

Ladies and Gentlemen:

Attached are complete and accurate lists of (1) all accounts with any brokerage firm or financial institution held in my name or the name of any of my spouse, my minor children, relatives or other persons living with me and any other persons to whom I contribute support, or in which any such person has Beneficial Ownership¹ and (2) the title, type, number of shares or principal amount (as applicable), and exchange ticker symbol or CUSIP number (as applicable) of each Security in which I have, or my spouse, any of my minor children, any relative or relatives or other persons living with me and any other person to whom I contribute support has, any Beneficial Ownership, over which any of such persons exercises control, with respect to which any of such persons provides any investment advice, or for which any of such persons participates, directly or indirectly, in the selection of Securities.²

I understand that you require this list to monitor my compliance with the Statement of Policies and Procedures (the "Statement") of kaChing Group Inc. (the "Firm"). I agree to notify the Firm and obtain its consent before opening any new account that is within the description above. I agree to request that all brokerage firms or other financial institutions identified on the attachment furnish the Firm with copies of periodic brokerage statements and trade confirmations and any other information concerning activity in any of the listed accounts.

This information is correct and complete as of _____, 20__.

Signed:

Print Name: _____

Date: _____

¹ "Beneficial Ownership" of a Security is defined in section E of the Introduction of the Firm's Statement of Policies and Procedures in effect on the date hereof.

² "Security" means any investment instrument commonly viewed as a Security, including any common stock, option, warrant, right to acquire Securities or convertible instrument, as well as any exchange-traded fund, swap or other derivative instrument, whether issued in a public or private offering (other than shares of open-end investment companies registered under the ICA (mutual funds) that are not affiliated with the Firm, Securities issued by the government of the U.S., money market instruments (e.g. bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high-quality short-term debt instruments) and shares of money market funds).

EXHIBIT C
KACHING QUESTIONNAIRE

Name of Supervised Person: _____

Date of Completion of Questionnaire: _____

The undersigned agrees immediately to notify the CCO at kaChing Group Inc. if any of foregoing information becomes inaccurate in any respect while he or she is under the supervision of kaChing Group Inc. Italicized terms are defined at the end of this Questionnaire. One event may result in “yes” answers to more than one of the questions below.

		<u>Yes</u>	<u>No</u>
A.	(1) Have you ever:		
	(a) been convicted of or pled guilty or nolo contendere (“no contest”) in a domestic, foreign or military court to any <i>felony</i> ?	<input type="checkbox"/>	<input type="checkbox"/>
	(b) been <i>charged</i> with any <i>felony</i> ?	<input type="checkbox"/>	<input type="checkbox"/>
	(2) Based upon activities that occurred while you exercised control over it, has an organization ever:		
	(a) been convicted of or pled guilty or nolo contendere (“no contest”) in a domestic or foreign court to any <i>felony</i> ? ..	<input type="checkbox"/>	<input type="checkbox"/>
	(b) been <i>charged</i> with any <i>felony</i> ?	<input type="checkbox"/>	<input type="checkbox"/>
B.	(1) Have you ever:		
	(a) been convicted of or pled guilty or nolo contendere (“no contest”) in a domestic, foreign, or military court to a <i>misdemeanor</i> involving: investments or an <i>investment-related</i> business or any fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses?	<input type="checkbox"/>	<input type="checkbox"/>
	(b) been <i>charged</i> with a <i>misdemeanor</i> specified in B(1)(a)?	<input type="checkbox"/>	<input type="checkbox"/>
	(2) Based upon activities that occurred while you exercised control over it, has an organization ever:		
	(a) been convicted of or pled guilty or nolo contendere (“no contest”) in a domestic or foreign court to a <i>misdemeanor</i> specified in B(1)(a)?	<input type="checkbox"/>	<input type="checkbox"/>
	(b) been <i>charged</i> with a <i>misdemeanor</i> specified in B(1)(a)?	<input type="checkbox"/>	<input type="checkbox"/>
C.	Has the U.S. Securities and Exchange Commission or the Commodity Futures Trading Commission ever:		
	(1) <i>found</i> you to have made a false statement or omission?	<input type="checkbox"/>	<input type="checkbox"/>
	(2) <i>found</i> you to have been <i>involved</i> in a violation of its regulations or statutes?	<input type="checkbox"/>	<input type="checkbox"/>
	(3) <i>found</i> you to have been a cause of an <i>investment-related</i> business having its authorization to do business denied, suspended, revoked, or restricted?	<input type="checkbox"/>	<input type="checkbox"/>
	(4) entered an <i>order</i> against you in connection with <i>investment-related</i> activity?	<input type="checkbox"/>	<input type="checkbox"/>
	(5) imposed a civil money penalty on you, or <i>ordered</i> you to cease and desist from any activity?	<input type="checkbox"/>	<input type="checkbox"/>
D.	Has any other Federal regulatory agency or any state regulatory agency or foreign financial regulatory authority ever:		
	(1) <i>found</i> you to have made a false statement or omission or been dishonest, unfair or unethical?	<input type="checkbox"/>	<input type="checkbox"/>
	(2) <i>found</i> you to have been <i>involved</i> in a violation of <i>investment-related</i> regulation(s) or statute(s)?	<input type="checkbox"/>	<input type="checkbox"/>
	(3) <i>found</i> you to have been a cause of an <i>investment-related</i> business having its authorization to do business denied, suspended, revoked or restricted?	<input type="checkbox"/>	<input type="checkbox"/>
	(4) entered an <i>order</i> against you in connection with <i>investment-related</i> activity?	<input type="checkbox"/>	<input type="checkbox"/>
	(5) denied, suspended, or revoked your registration or license or otherwise, by <i>order</i> , prevented you from associating with an <i>investment-related</i> business or restricted your activities?	<input type="checkbox"/>	<input type="checkbox"/>
E.	Has any self-regulatory organization or commodities exchange ever:		
	(1) <i>found</i> you to have made a false statement or omission?	<input type="checkbox"/>	<input type="checkbox"/>
	(2) <i>found</i> you to have been <i>involved</i> in a violation of its rules (other than a violation designated as a “ <i>minor rule violation</i> ” under a plan approved by the U.S. Securities and Exchange Commission)?	<input type="checkbox"/>	<input type="checkbox"/>
	(3) <i>found</i> you to have been the cause of an <i>investment-related</i> business having its authorization to do business denied, suspended, revoked or restricted?	<input type="checkbox"/>	<input type="checkbox"/>
	(4) disciplined you by expelling or suspending you from membership, barring or suspending your association with its members, or restricting your activities?	<input type="checkbox"/>	<input type="checkbox"/>

		<u>Yes</u>	<u>No</u>
F.	Has your authorization to act as an attorney, accountant or federal contractor ever been revoked or suspended?	<input type="checkbox"/>	<input type="checkbox"/>
G.	Have you been notified that you are now the subject of any:		
	(1) regulatory complaint or <i>proceeding</i> that could result in a “yes” answer to any part of C, D or E?	<input type="checkbox"/>	<input type="checkbox"/>
	(2) <i>investigation</i> that could result in a “yes” answer to any part of A, B, C, D or E?	<input type="checkbox"/>	<input type="checkbox"/>
H.	(1) Has any domestic or foreign court ever:		
	(a) <i>enjoined</i> you in connection with any <i>investment-related</i> activity?	<input type="checkbox"/>	<input type="checkbox"/>
	(b) <i>found</i> that you were <i>involved</i> in a violation of any <i>investment-related</i> statute(s) or regulation(s)?	<input type="checkbox"/>	<input type="checkbox"/>
	(c) dismissed, pursuant to a settlement agreement, an <i>investment-related</i> civil action brought against you by a state or foreign financial regulatory authority?	<input type="checkbox"/>	<input type="checkbox"/>
	(2) Are you named in any pending civil action or other civil proceeding that could result in a “yes” answer to any part of H(1)?	<input type="checkbox"/>	<input type="checkbox"/>
I.	(1) Have you ever been named as a respondent/defendant in an investment-related consumer-initiated arbitration or civil litigation which alleged that you were involved in one or more sales practice violations and which:		
	(a) is still pending, or;	<input type="checkbox"/>	<input type="checkbox"/>
	(b) resulted in an arbitration award or civil judgment against you, regardless of amount, or;	<input type="checkbox"/>	<input type="checkbox"/>
	(c) was settled for an amount of \$10,000 or more?	<input type="checkbox"/>	<input type="checkbox"/>
	(2) Have you ever been the subject of an investment-related, consumer-initiated complaint, not otherwise reported under question I(1) above, which alleged that you were involved in one or more sales practice violations, and which complaint was settled for an amount of \$10,000 or more?	<input type="checkbox"/>	<input type="checkbox"/>
	(3) Within the past twenty four (24) months, have you been the subject of an investment-related, consumer-initiated written complaint, not otherwise reported under question I(1) or I(2) above, which:		
	(a) alleged that you were <i>involved</i> in one or more <i>sales practice violations</i> and contained a claim for compensatory damages of \$5,000 or more (if no damage amount is alleged, the complaint must be reported unless the firm has made a good faith determination that the damages from the alleged conduct would be less than \$5,000), or;	<input type="checkbox"/>	<input type="checkbox"/>
	(b) alleged that you were <i>involved</i> in forgery, theft, misappropriation or conversion of funds or Securities?	<input type="checkbox"/>	<input type="checkbox"/>
	(4) Are you currently the subject of, or have you been the subject of, an arbitration claim alleging damages in excess of \$2,500, involving any of the following:		
	(a) any investment or an <i>investment-related</i> business or activity?	<input type="checkbox"/>	<input type="checkbox"/>
	(b) fraud, false statement, or omission?	<input type="checkbox"/>	<input type="checkbox"/>
	(c) theft, embezzlement or other wrongful taking of property?	<input type="checkbox"/>	<input type="checkbox"/>
	(d) bribery, forgery, counterfeiting or extortion?	<input type="checkbox"/>	<input type="checkbox"/>
	(e) dishonest, unfair or unethical practices?	<input type="checkbox"/>	<input type="checkbox"/>
	(5) Are you currently subject to, or have you been found liable in, a civil, self-regulatory organization, or administrative proceeding involving any of the following?		
	(a) an investment or <i>investment-related</i> business or activity?	<input type="checkbox"/>	<input type="checkbox"/>
	(b) fraud, false statement, or omission?	<input type="checkbox"/>	<input type="checkbox"/>
	(c) theft, embezzlement or other wrongful taking of property?	<input type="checkbox"/>	<input type="checkbox"/>
	(d) bribery, forgery, counterfeiting or extortion?	<input type="checkbox"/>	<input type="checkbox"/>
	(e) dishonest, unfair or unethical practices?	<input type="checkbox"/>	<input type="checkbox"/>
J.	Have you ever voluntarily resigned, been discharged or permitted to resign after allegations were made that accused you of:		
	(1) violating <i>investment-related</i> statutes, regulations, rules or industry standards of conduct?	<input type="checkbox"/>	<input type="checkbox"/>
	(2) fraud or the wrongful taking of property?	<input type="checkbox"/>	<input type="checkbox"/>
	(3) failure to supervise in connection with <i>investment-related</i> statutes, regulations, rules or industry standards of conduct?	<input type="checkbox"/>	<input type="checkbox"/>
K.	Within the past 10 years:		
	(1) have you made a compromise with creditors, filed a bankruptcy petition or been the subject of an involuntary bankruptcy petition?	<input type="checkbox"/>	<input type="checkbox"/>
	(2) based on events that occurred while you exercised <i>control</i> over it, has an organization made a compromise with creditors, filed a bankruptcy petition or been the subject of an involuntary bankruptcy petition?	<input type="checkbox"/>	<input type="checkbox"/>
	(3) based on events that occurred while you exercised <i>control</i> over it, has a broker or dealer been the subject of an involuntary bankruptcy petition, or had a trustee appointed, or had a direct payment procedure initiated under the Securities Investor Protection Act?	<input type="checkbox"/>	<input type="checkbox"/>
L.	Has a bonding company ever denied, paid out on, or revoked a bond for you?	<input type="checkbox"/>	<input type="checkbox"/>
M.	Do you have any unsatisfied judgments or liens against you?	<input type="checkbox"/>	<input type="checkbox"/>

DEFINITIONS

CHARGED means being accused of a crime in a formal complaint, information, or indictment (or equivalent formal charge).

CONTROL means the power to direct or cause the direction of the management or policies of a company, whether through ownership of Securities, by contract, or otherwise. Any individual *firm* that is a director, partner or officer exercising executive responsibility (or having similar status or functions) or that directly or indirectly has the right to vote 25 percent or more of the voting Securities or is entitled to 25 percent or more of the profits is presumed to control that company.

ENJOINED includes being subject to a mandatory injunction, prohibitory injunction, preliminary injunction or a temporary restraining order.

FELONY, for *jurisdictions* that do not differentiate between felony or misdemeanor, is an offense punishable by a sentence of at least one year imprisonment and/or a fine of at least \$1,000. The term also includes a general court martial.

FIRM means a broker-dealer, investment adviser or issuer, as appropriate.

FOREIGN FINANCIAL REGULATORY AUTHORITY includes a foreign Securities authority; any other governmental body or foreign equivalent of a *self-regulatory organization* empowered by a foreign government to administer or enforce its laws relating to the regulation of *investment-related* activities; or a membership organization, a function of which is to regulate the participation of its members in *investment-related* activities listed above.

FOUND includes adverse final actions, including consent decrees in which the respondent has neither admitted nor denied the findings, but does not include agreements, deficiency letters, examination reports, memoranda of understanding, letters of caution, admonishments and similar informal resolutions of matters.

INVESTIGATION includes: (a) grand jury investigations; (b) U.S. Securities and Exchange Commission investigation after the “Wells” notice has been given; (c) FINRA investigations after the “Wells” notice has been given or after a person associated with a member, as defined in FINRA Bylaws, has been advised by the staff that it intends to recommend formal disciplinary action; (d) formal investigations by other *SROs*; or (e) actions or procedures designated as investigations by *jurisdictions*. The term *investigation* does not include subpoenas, preliminary or routine regulatory inquiries or requests for information, deficiency letters, “blue sheet” requests or other trading questionnaires or examinations.

INVESTMENT-RELATED pertains to Securities, commodities, banking, insurance or real estate (including, but not limited to, acting as or being associated with a broker, dealer, issuer, investment company, investment adviser, municipal Securities dealer, government Securities broker or dealer, futures sponsor, bank or savings association).

INVOLVED means engaging in an act or omission or aiding, abetting, counseling, commanding, inducing, conspiring with or failing reasonably to supervise another in doing an act or omission.

JURISDICTION means a state, the District of Columbia, the Commonwealth of Puerto Rico, or any subdivision or regulatory body thereof.

MINOR RULE VIOLATION is a violation of a *self-regulatory organization* rule that has been designated as “minor” pursuant to a plan approved by the U.S. Securities and Exchange Commission. A rule violation **may** be designated as “minor” under a plan if the sanction imposed consists of a fine of \$2,500 or less, and if the sanctioned person does not contest the fine. Check with the appropriate *self-regulatory organization* to determine if a particular rule violation has been designated “minor” for these purposes.

ORDER means a written directive issued pursuant to statutory authority and procedures, including an order of denial, exemption, suspension or revocation but does not include special stipulations, undertakings or agreements relating to payments, limitations on activity or other restrictions unless they are included in an order.

PROCEEDING includes a formal administrative or civil action initiated by a governmental agency, *self-regulatory organization* or *foreign financial regulatory authority*, a *felony* criminal indictment or information (or equivalent formal charge) or a *misdemeanor* criminal information (or equivalent formal charge), but does not include an arrest or similar charge effected in the absence of a formal criminal indictment or information (or equivalent formal charge).

RESIGN or **RESIGNED** relates to separation from employment with any employer, is **not** restricted to *investment-related* employment, and includes any termination in which the allegations are a proximate cause of the separation, even if you initiated the separation.

SALES PRACTICE VIOLATIONS shall include any conduct directed at or involving a customer which would constitute a violation of: any rules for which a person could be disciplined by any *self-regulatory organization*; any provision of the Securities Exchange Act of 1934; or any state statute prohibiting fraudulent conduct in connection with the offer, sale or purchase of a Security or in connection with the rendering of investment advice.

SELF-REGULATORY ORGANIZATION (“SRO”) means any national Securities or commodities exchange, any national Securities association (e.g., FINRA) or any registered clearing agency.

EXHIBIT D

CERTIFICATE OF COMPLIANCE

I hereby certify that, since the date on which I received a copy of the Statement of Policies and Procedures of kaChing Group Inc. (the “Firm”), or the date of my most recent Certificate of Compliance, whichever is later, I have complied in all respects with all such policies and procedures applicable to me.

In particular, I have disclosed to the Firm the existence and location of all Securities trading accounts (including IRA accounts and other retirement accounts) in which I have, or my spouse, any of my minor children, any relative or relatives or other persons living with me and any other person to whom I contribute support has, any Beneficial Ownership¹, over which any of such persons exercises control or provides any investment advice, or for which any of such persons participates, directly or indirectly, in the selection of Securities,² and I have disclosed to the Firm all transactions in such accounts through the date of this certification. If any such information is incomplete or inaccurate, I have attached to this certificate all documents and information necessary to update or correct any previous disclosures.

Signed:

Print Name: _____

Date: _____

¹ “Beneficial Ownership” of a Security is defined in section E of the Introduction of the Firm’s Statement of Policies and Procedures in effect on the date hereof.

² “Security” means any investment instrument commonly viewed as a Security, including any common stock, option, warrant, right to acquire Securities or convertible instrument, as well as any exchange-traded fund, swap or other derivative instrument, whether issued in a public or private offering (other than shares of open-end investment companies registered under the ICA (mutual funds) that are not affiliated with the Firm, Securities issued by the government of the U.S., money market instruments (e.g. bankers’ acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high-quality short-term debt instruments) and shares of money market funds).

EXHIBIT E

PERSONAL SECURITIES TRADING REQUEST

Name: _____

Details of Proposed Transaction:

___	Circle Purchase or Sale	Purchase/Sale
___	Date of Transaction	_____
___	Indicate Name of Issuer and Symbol	_____
___	Type of Security (e.g., Note, Common Stock, Preferred Stock)	_____
___	Quantity of Shares or Units	_____
___	Price per Share/Unit	_____
___	Approximate Dollar Amount	_____
___	Account for which Transaction Will Be Made	_____
___	Name of Broker	_____

Date of Request: _____

You may/may not [**circle one**] execute the proposed transaction described above.

Reason for Decision [**necessary for decision on requests regarding IPOs/restricted securities**]

Authorized Signature

Date of Response: _____