

Item 1 – Cover Page



**Cabana LLC**

**d/b/a**

**Cabana Asset Management**

220 S. School Ave.  
Fayetteville, AR 72701

Phone: (479) 442-6464

Fax: (479) 442-6465

[www.thecabanagroup.com](http://www.thecabanagroup.com)

**March 30, 2026**

**Form ADV Part 2A Brochure**

This brochure provides information about the qualifications and business practices of Cabana LLC (“Cabana”). Clients with questions about the contents of this brochure may contact us at (479) 442- 6464. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Cabana is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Cabana is a Registered Investment Adviser. Registration as an Investment Adviser does not imply any level of skill or training.

If you are a client in a model-based advisory program and have received this Form ADV Part 2A, please note that Cabana has no advisory relationship with you, and this Part 2A has been delivered to you for informational purposes only.

## Item 2 – Material Changes

The purpose of this page is to inform clients of any material changes since our previous annual amendment filing submitted to regulators on March 26, 2025. The following summary discusses material changes made between required annual amendment filings.

On May 1, 2025, we amended our Form ADV Part 2A Brochure to reflect the following changes:

- Item 4 has been updated to reflect that, as of March 31, 2025, Cabana had approximately \$613,900,000 in discretionary regulatory assets under management.
- Item 4 has also been updated to remove Albert Moore as CCO and add Sonya Clements as CCO.
- Item 4 has also been updated to remove Christopher Carns as COO and add Sonya Clements as COO.

On October 8, 2025, we made the following changes:

- Item 4 has been updated to reflect that, as of June 30, 2025, Cabana had approximately \$576,705,000 in discretionary regulatory assets under management
- Additionally, Item 4 must disclose the primary owners of our firm. Cabana LLC dba Cabana Asset Management is a wholly owned subsidiary of The Cabana Group, LLC. We have updated that information to reflect the name change of one of the primary owners of our parent company, The Cabana Group, LLC. CI Private Wealth, LLC changed its legal name to Corient Private Wealth, LLC dba Corient. Because Corient has a material interest in our parent company, we are considered to be affiliated through common control and ownership with Corient. Corient is an SEC-registered investment adviser.
- Item 10 has been updated regarding our affiliation and registrations with Corient and the resulting conflicts of interest.

On March 30, 2026, we submitted our required annual updating amendment to regulators for our firm's fiscal year ending December 31, 2025. We made the following additional changes:

- We no longer offer advisory services to individuals or other types of retail clients. Therefore, we have substantially rewritten our disclosure brochure in its entirety.

We encourage you to carefully review our full brochure. If you have any questions or if you would like to receive a copy of our current brochure free of charge at any time, contact us at [\(479\) 442-6464](tel:4794426464).

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## Item 4 – Advisory Business

### **INTRODUCTION**

Cabana LLC d/b/a Cabana Asset Management (hereinafter “Cabana,” “we,” or the “firm”) is a registered investment adviser (“RIA”) based in Fayetteville, Arkansas. We are a limited liability company organized under the laws of the State of Arkansas. Cabana is a wholly owned subsidiary of The Cabana Group, LLC, a Delaware limited liability company. Corient Private Wealth, LLC owns 49% of The Cabana Group, LLC, and five other entities controlled by employees, affiliates, or investment adviser representatives of Cabana own the other 51% of the Cabana Group. Cabana has provided investment advisory services since 2007. Cabana’s day-to-day operations are managed by (1) G. Chadd Mason, CEO and Co-Founder; (2) Louis Shaff, CFO and Co-Founder; and (3) Sonya Clements, CCO and COO. As used in this Brochure, the term “Associated Person” refers to anyone who is an officer or employee of Cabana and all individuals providing investment advice on Cabana’s behalf.

Cabana LLC offers investment advisory services to registered investment companies (e.g., Exchange Traded Funds), pooled investment vehicles (e.g., Collective Investment Trusts or Collective Investment Funds), and offers portfolio models and trade signals to other registered investment advisers, including Turnkey Asset Management Platforms.

Cabana developed a proprietary algorithm, “CARA” (Cyclical Asset Reallocation Algorithm), for risk management, which seeks to reduce volatility and exposure to down markets by evaluating economic and technical market conditions and allocating to assets that are deemed attractive in the current market. CARA is utilized in all of Cabana’s investment solutions, which include Multi-Strategy Professional Series SMAs (Separately Managed Accounts), Target Beta Series SMAs (Separately Managed Accounts), Target Income Series SMAs (Separately Managed Accounts), Target Drawdown Series SMAs (Separately Managed Accounts), Target ETFs (Exchange Traded Funds), and Target Drawdown CITs (Collective Investment Trusts).

Cabana LLC claims compliance with the Global Investment Performance Standards (GIPS®). Cabana LLC has been independently verified on a firm-wide basis for the period January 1, 2012, to December 31, 2023 (the next examination is currently in progress). GIPS® is a trademark of the CFA Institute. The CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. To receive a GIPS Report or a firm’s list of composite/pooled fund descriptions, please email the request to [info@thecabanagroup.com](mailto:info@thecabanagroup.com).

The types of investment advisory services we offer clients are described in more detail below.

### **SERVICES**

We do not offer advisory services to individuals or other types of retail clients.

### ***Portfolio Development and Management Services***

The Multi-Strategy Professional Series invests in a combination of proprietary ETFs, which currently are the Cabana Target Drawdown 10 ETF, the Cabana Target Leading Sector Moderate ETF, and the Cabana Target Beta 35 ETF (“Cabana ETFs”) that Cabana manages via a sub-advisory agreement with Exchange Traded Concepts (“ETC”), the ETF provider. Cabana’s management fee set forth in the investment advisory agreement between Cabana and its clients, as applicable, will be offset (and reduced) each month by an amount equal to the management/sub-advisory fees received by Cabana from ETC for the Cabana ETFs, for the prior month, with respect to each client’s investment in the Cabana ETFs.

Detailed information regarding Cabana’s ETFs can be found in the offering documents, which are available at <https://thecabanagroup.com/etf-prospectus/>.

The Target Drawdown Series is the original of Cabana’s Target Drawdown SMA products and was the primary SMA offering prior to September 17, 2020, when Cabana’s Target Drawdown ETFs were released. The Target Drawdown portfolios are still utilized for some client accounts. The Target Drawdown Model SMAs differ from Cabana’s Multi-Strategy Professional Series in that proprietary Cabana ETFs are not used, and the primary objective of the portfolios is to minimize drawdown whenever possible.

The Target Beta Series was released in September 2023 and seeks to reduce costs and whipsaw associated with more active management through using a semi-active, tactical process whereby Cabana’s Cyclical Asset Allocation Algorithm (“CARA”) seeks to identify macro changes in the economic cycle and allocate investment to the assets that perform relatively well at the identified point in the cycle.

The Target Income Portfolio seeks to provide consistent income to investors through the receipt of dividends and bond interest paid by the portfolio’s underlying holdings.

Additionally, one or more of our models may include a fixed income component, including but not limited to U.S. Government Treasury Bills (also known as T-bills). Where appropriate, based on your needs and circumstances, we may invest all or a portion of your portfolio in fixed income securities. See Item 8 below for additional information regarding these models.

Clients will generally be invested in one of Cabana’s Multi-Strategy Professional, Target Beta, Target Income, or Target Drawdown Series Portfolios, or may also hold other securities positions.

Cabana generally builds portfolios that put target drawdown limits at the forefront. Drawdown is defined as the maximum loss or amount an investment can be expected to fall (these are targets, not guarantees), from peak to trough during adverse market conditions. Cabana’s Target Drawdown Portfolios are constructed using an algorithm that Cabana operates, which we refer to by the acronym CARA, which seeks to monitor economic and technical market conditions to identify assets that are particularly attractive at a given time in the business cycle. All Cabana Target Drawdown Portfolios strive

to limit losses that exceed investor risk tolerance in down markets, while still participating in up markets. The Multi-Strategy Professional Series Portfolios strive to limit losses that exceed investor risk tolerance in down markets, but also include a volatility allocation that allows for growth potential when conditions improve. The Cabana Target Beta Series Portfolios are designed to respond to only macro-economic trends, thus reducing sensitivity to market segmentations and the potential for volatility, trading slippage, and whipsaw. The Cabana Target Income Portfolio generates a steady stream of income while minimizing the sequence of return risk as well as overall drawdown through a tactical allocation model.

Cabana's Portfolios are primarily invested in various index-based and sector-based Exchange Traded Funds (ETFs), including the Cabana ETFs, that have a history of making dividend payments. In certain instances, we may also invest a portion of a client's account in mutual funds or fixed securities. Cabana monitors the portfolio performance daily and provides its clients, primary managers, investment advisers, or platform providers with signals to rebalance the portfolios whenever necessary, as changes occur in market conditions as dictated by CARA.

*Model Provider Services:* Our firm offers the Multi-Strategy Professional Series, Target Beta, Target Income, and Target Drawdown Series to investment platforms managed by third parties, and third-party investment advisers can license our portfolios for use with their clients. We do not control third-party investment advisers' trading or the market impact of their trades. We are not responsible for overseeing the provision of services by a model-based program sponsor, or the fees charged by such an entity, and cannot assure the quality of its services.

*Sub-Advisory Services:* Cabana manages the Cabana ETFs on a discretionary basis via a sub-advisory agreement with Exchange Traded Concepts ("ETC"), the ETF provider. Discretionary portfolio management means we will make investment decisions and place buy or sell orders in those accounts without contacting the adviser or client.

### ***Retirement Plan Services***

*Cabana Target Drawdown CITs.* Cabana manages the Cabana Collective Investment Trust ("CITs") for certain assets subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). Specifically, Cabana has been appointed as Investment Manager to the CITs (as that term is defined under ERISA) by the Trustee of the CITs. The CITs are bank-maintained and not registered with the SEC under the Securities Act of 1933, as amended, or applicable securities laws of any state or other jurisdiction. The CITs are not mutual funds registered under the Investment Company Act of 1940, as amended ("1940 Act") or other applicable law, and unit holders are not entitled to the protections of the 1940 Act. The regulations applicable to the CITs are different from those applicable to a mutual fund.

*Cabana Target Date CITs.* In 2024, Cabana launched a series of Target Date CITs alongside State Street and Lincoln Financial.

*Employee Education Services.* We may provide employee education services by conducting meetings with employers and employees in a group, or on an individual basis, and the meetings can be conducted either on-site or via teleconferencing. We may also conduct employee surveys to determine interest in specific topics and provide other communication services to employees regarding investment education. Finally, we may assist employees with enrollment and re-enrollment in the Plan.

Unless otherwise stated, the retirement plan services are not investment advisory services or investment advice as defined under ERISA.

*Cabana PEP.* In 2022, Cabana launched the Cabana Pep Solution. A Pooled Employer Plan (PEP) is a special type of 401(k) plan that allows businesses to pool their purchasing power together to access better benefits, service, and rates with less in-house administrative overhead. Cabana may be the advisor on the PEP, depending on the nature of the relationship, while other parties act as Recordkeeper, Third Party Administrator, Custodian, and Pooled Plan Provider. Cabana has a series of Target Drawdown CITs as well as Target Date CITs, which are currently in the Cabana PEP fund lineup.

#### **ASSETS UNDER MANAGEMENT**

As of March 6, 2026, Cabana had approximately \$471,765,000 in discretionary regulatory assets under management.

### **Item 5 – Fees and Compensation**

#### **Advisory Fees**

Services and fee arrangements will be negotiated with each client on a case-by-case basis and outlined in the advisory agreement executed between the client and us.

#### **ETF Fees**

ETF fees are found in an ETF's offering documents, which are available at <https://thecabanagroup.com/etf-prospectus/>. Investors pay their pro rata share of an ETF's fees and expenses.

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

We do not charge performance-based fees, which are fees based on a share of capital gains or capital appreciation of a client's assets.

### **Item 7 – Types of Clients**

We generally offer investment advisory services to trustees for collective investment trusts (CITs) or collective investment funds (CIFs), ETFs, other investment advisers, including Turnkey Asset Management Platforms.

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

### **Cabana's Multi-Strategy Professional Series**

On or around January 8, 2024, Cabana repurposed its Target Drawdown 7 ETF to become a Target Beta 35 ETF and combined the Target Drawdown ETFs into one Target Drawdown 10 ETF and combined the Target Leading Sector ETFs into one Target Leading Sector Moderate ETF (each Cabana ETF is an ETF of ETFs). The Cabana Multi-Strategy Professional Series is built using a combination of all three of Cabana's Target ETFs. The combination of Cabana's Target Drawdown, Target Leading Sector, and Target Beta strategies is built with the goal of providing a portfolio that we believe will be responsive to changes in the macro-economic cycle while remaining invested and being resistant to whipsaw during volatile markets. This combination provides exposure to both active management and traditional allocation models. The Multi-Strategy Professional Portfolios aggregate actively-managed Cabana ETFs with differing weightings to provide solutions across the suitability spectrum, ranging from conservative to aggressive.

By utilizing Cabana's Target Drawdown ETF, Target Leading Sector ETF, and Target Beta ETF and third-party ETFs, Cabana strives to decrease the cost and increase the tax efficiency of its actively managed Professional Series. It is the responsibility of the adviser to determine what is suitable for the client based on that individual's situation and needs. An adviser or client should not simply rely on the name of any portfolio to determine what is suitable for any one person. There is no substitute for understanding the reasons for a recommended solution. The following is a short description of each of Cabana's Target Drawdown Portfolios. Find more information about each portfolio at <https://targetdrawdown.thecabanagroup.com/>.

#### *Multi-Strategy Conservative*

Cabana's Multi-Strategy Conservative Portfolio is one of four in Cabana's Multi-Strategy Professional Series. The objective of this portfolio is to seek a limited volatility range and capital preservation with opportunity for growth. It primarily invests in broad asset class ETFs among the five major asset classes. Allocation is typically weighted toward low beta asset classes. Risk parameters are managed using inverse and non-correlated assets. Conservative investors seeking a lower (or reduced) volatility range may find this portfolio attractive. It is the most conservative portfolio in this series. This portfolio uses a semi-active, tactical process whereby Cabana's Cyclical Asset Allocation Algorithm ("CARA") seeks to identify macro changes in the economic cycle and allocate investment to the assets that perform relatively well at the identified point in the cycle. Prior to January 2024, this portfolio was known as Cabana's Target Drawdown Professional 7.

#### *Multi-Strategy Moderate*

Cabana's Multi-Strategy Moderate Portfolio is one of four in Cabana's Multi-Strategy Professional Series. It has the longest-running track record of all Cabana portfolios. The objective of this portfolio is to seek a balance of growth and risk management. It primarily invests in broad asset class ETFs

among the five major asset classes. Risk parameters are managed using inverse and non-correlated assets. Investors seeking risk management and a moderate volatility allocation may find this portfolio attractive. This portfolio uses a semi-active, tactical process whereby Cabana's Cyclical Asset Allocation Algorithm ("CARA") seeks to identify macro changes in the economic cycle and allocate investment to the assets that perform relatively well at the identified point in the cycle. Prior to January 2024, this portfolio was known as Cabana's Target Drawdown Professional 10.

#### *Multi-Strategy Growth*

Cabana's Multi-Strategy Growth Portfolio is one of four in Cabana's Multi-Strategy Professional Series. The objective of this portfolio is to seek risk-managed growth over a longer investment horizon. It primarily invests in broad asset class ETFs among the five major asset classes. Risk parameters are managed using inverse and non-correlated assets. This portfolio may be appropriate for investors seeking growth opportunities with a tolerance for a higher volatility asset allocation. This portfolio uses a semi-active, tactical process whereby Cabana's Cyclical Asset Allocation Algorithm ("CARA") seeks to identify macro changes in the economic cycle and allocate investment to the assets that perform relatively well at the identified point in the cycle. Prior to January 2024, this portfolio was known as Cabana's Target Drawdown Professional 13.

#### *Multi-Strategy Aggressive*

Cabana's Multi-Strategy Aggressive Portfolio is one of four in Cabana's Multi-Strategy Professional Series. It is designed to capture appreciation in growth assets, such as small-cap equities, emerging markets, and commodities, during periods of economic expansion, while remaining resistant to severe market downturns. Aggressive investors seeking growth opportunities through significant equity exposure throughout the market cycle may find this portfolio attractive. It primarily invests in broad asset class ETFs among the five major asset classes. Risk parameters are managed using inverse and non-correlated assets. This portfolio may be appropriate for investors seeking growth opportunities with a tolerance for a higher volatility asset allocation. This portfolio uses a semi-active, tactical process whereby Cabana's Cyclical Asset Allocation Algorithm ("CARA") seeks to identify macro changes in the economic cycle and allocate investment to the assets that perform relatively well at the identified point in the cycle. Prior to January 2024, this portfolio was known as Cabana's Target Drawdown Professional 16.

#### **Cabana's Target Drawdown Series**

Cabana's Target Drawdown Series and Cabana's Multi-Strategy Professional Series are available exclusively through Cabana's advisors or advisors and platforms that have a direct Master Services Agreement or Signal Provider agreement with Cabana. Alongside the Target Drawdown Series and Multi-Strategy Professional Series, Cabana provides a suite of TAMP services, including operational, marketing, and sales support. These portfolios are constructed using CARA, which seeks to monitor economic and technical market conditions to identify assets that are particularly attractive at a given time in the business cycle. Cabana numerically quantifies acceptable levels of risk by identifying a "target drawdown" percentage for each portfolio at the onset of the investment process. Drawdown is defined as the maximum loss, or amount an investment can be expected to fall, from peak to trough

during adverse market conditions. The Target Drawdown Series strives to limit losses that exceed investor risk tolerance in down markets while still participating in up markets. All Target Drawdown Series Portfolios are derivatives of the same model but are constructed by adjusting the drawdown parameters to the desired volatility range. We offer multiple drawdown variations to meet the needs of investors across risk profiles, ranging from 5% to 16%. CARA is designed to actively manage a diversified portfolio of ETFs and mutual funds comprised of broad asset classes. Investments are monitored daily and allocated or reallocated among non-correlated and inversely correlated asset classes in an effort to reduce exposure to potential market declines. All portfolios in Cabana's Target Drawdown Series are considered Core All Asset Tactical and provide viable options for most long-term investors, in our view.

#### *Target Drawdown 5*

The Target Drawdown 5 is the most conservative of the five portfolios in Cabana's Target Drawdown Series. The objective of the portfolio is to seek a limited volatility range ("target drawdown") of five percent (5%) from peak to trough. The portfolio primarily invests in broad asset class ETFs among the following five major asset classes: equities, fixed income securities, real estate, currencies, and commodities, and is designed to emphasize stability by concentrating allocation to low beta asset classes. Targeted risk parameters are managed using inverse and non-correlated assets. Conservative investors, as well as those seeking preservation of capital while realizing income, may find this portfolio attractive. Prior to January 2024, this portfolio was known as Cabana's Target Drawdown Legacy 5.

#### *Target Drawdown 7*

The Target Drawdown 7 is one of five portfolios in Cabana's Target Drawdown Series. The objective of the portfolio is to seek a limited volatility range ("target drawdown") of seven percent (7%) from peak to trough. The portfolio primarily invests in broad asset class ETFs among the following five major asset classes: equities, fixed income securities, real estate, currencies, and commodities. Allocation is inherently weighted toward low beta asset classes. Targeted risk parameters are managed using inverse and non-correlated assets. Conservative investors seeking a lower (or reduced) volatility asset allocation may find this portfolio attractive. Prior to January 2024, this portfolio was known as Cabana's Target Drawdown Legacy 7.

#### *Target Drawdown 10*

The Target Drawdown 10 is the original of the five portfolios in Cabana's Target Drawdown Series. All Target Drawdown portfolios and products are a variation of the Target Drawdown 10 and have been constructed by adjusting the drawdown parameters to the desired volatility range. The objective of the portfolio is to seek a limited volatility range ("target drawdown") of ten percent (10%) from peak to trough. The portfolio primarily invests in broad asset class ETFs among the following five major asset classes: equities, fixed income securities, real estate, currencies, and commodities. Allocation is distributed among major asset classes with a sensitivity to market downturn. Targeted risk parameters are managed using inverse and non-correlated assets. Investors seeking exposure to risk assets and a moderate volatility asset allocation may find this portfolio attractive. Prior to January 2024, this portfolio was known as Cabana's Target Drawdown Legacy 10.

### *Target Drawdown 13*

The Target Drawdown 13 is one of five portfolios in Cabana's Target Drawdown Series. The objective of this portfolio is to seek a limited volatility range (“target drawdown”) of thirteen percent (13%) from peak to trough. The portfolio primarily invests in broad asset class ETFs among the following five major asset classes: equities, fixed income securities, real estate, currencies, and commodities. Its allocation allows for potential capital appreciation of growth assets during times of favorable conditions, while maintaining relative stability through exposure to inversely or non-correlated assets during periods of less favorable market conditions. Targeted risk parameters are managed using inverse and non-correlated assets. Investors seeking growth opportunities with tolerance for a higher volatility asset allocation may find this portfolio attractive. Prior to January 2024, this portfolio was known as Cabana’s Target Drawdown Legacy 13.

### *Target Drawdown 16*

The Target Drawdown 16 is one of five portfolios in Cabana's Target Drawdown Series. The objective of the portfolio is to seek a limited volatility range (“target drawdown”) of sixteen percent (16%) from peak to trough. The portfolio primarily invests in broad asset class ETFs among the following five major asset classes: equities, fixed income securities, real estate, currencies, and commodities. Allocation is weighted toward higher beta growth assets during all but the most unfavorable market conditions. It is designed to capture appreciation in growth assets, such as small-cap equities, emerging markets, and commodities during periods of economic expansion, while remaining resistant to severe market downturn. Targeted risk parameters are managed using inverse and non-correlated assets. Aggressive investors seeking growth opportunities through significant equity exposure throughout the market cycle may find this portfolio attractive. Prior to January 2024, this portfolio was known as Cabana’s Target Drawdown Legacy 16.

## **Target Beta Portfolios**

### *Target Beta 35*

The Cabana Target Beta 35 Portfolio is an all-asset, fund of funds strategy comprised of underlying equities, commodities, and fixed income funds intended to represent a moderately conservative target risk allocation. The portfolio's primary objective is to target a maximum aggregated beta of .35 compared to the equal-weight S&P 500 (benchmark). Cabana uses a semi-active “tactical” process whereby Cabana’s Cyclical Asset Allocation Algorithm (“CARA”) seeks to identify macro changes in the economic cycle and allocate investment to the assets that perform relatively well at the identified point in the cycle. For purposes of allocation, the portfolio relies on a two-scenario (bullish or bearish) version of CARA. Positions in the bullish scene are intended to reach the target beta of .35, while positions in a bearish scene may result in a beta less than .35. This allows for the aggregated portfolio to be optimized for gain and maintain the target maximum beta as a whole and throughout the defined business cycle. The portfolio seeks to reduce costs and whipsaw associated with more active management and focuses on aspects of portfolio construction that can be controlled by the asset manager. Beta is calculated based upon the one-year beta of the underlying positions, and re-optimization occurs upon scene

change. If no such opportunity has occurred within a calendar year, the portfolio is re-optimized at year's end. In sum, this Target Max Beta Portfolio seeks to provide a repeatable investment experience across market cycles and simultaneously take advantage of CARA's allocation process. Incidental benefits may include a reduction in some of the risks of active management, such as poor security selection, high turnover, and trading costs such as slippage.

#### *Target Beta 50*

The Cabana Target Beta 50 Portfolio is an all-asset, fund of funds strategy comprised of underlying equities, commodity, and fixed income funds intended to represent a moderate target risk allocation. The portfolio's primary objective is to target a maximum aggregated beta of .50 compared to the equal-weight S&P 500 (benchmark). Cabana uses a semi-active "tactical" process whereby Cabana's Cyclical Asset Allocation Algorithm ("CARA") seeks to identify macro changes in the economic cycle and allocate investment to the assets that perform relatively well at the identified point in the cycle. For purposes of allocation, the portfolio relies on a two scene (bullish or bearish) version of CARA. Positions in the bullish scene are intended to reach the target beta of .50, while positions in a bearish scene may result in a beta less than .50. This allows for the aggregated portfolio to be optimized for gain and maintain the target maximum beta as a whole and throughout the defined business cycle. The portfolio seeks to reduce costs and whipsaw associated with more active management and focuses on aspects of portfolio construction that can be controlled by the asset manager. Beta is calculated based upon the one-year beta of the underlying positions, and re-optimization occurs upon scene change. If no such opportunity has occurred within a calendar year, the portfolio is re-optimized at year's end. In sum, this Target Max Beta Portfolio seeks to provide a repeatable investment experience across market cycles and simultaneously take advantage of CARA's allocation process. Incidental benefits may include a reduction in some of the risks of active management, such as poor security selection, high turnover, and trading costs such as slippage.

#### *Target Beta 70*

The Cabana Target Beta 70 Portfolio is an all-asset, fund of funds strategy comprised of underlying equities, commodity, and fixed income funds intended to represent a growth target risk allocation. The portfolio's primary objective is to target a maximum aggregated beta of .70 compared to the equal-weight S&P 500 (benchmark). Cabana uses a semi-active "tactical" process whereby Cabana's Cyclical Asset Allocation Algorithm ("CARA") seeks to identify macro changes in the economic cycle and allocate investment to the assets that perform relatively well at the identified point in the cycle. For purposes of allocation, the portfolio relies on a two scene (bullish or bearish) version of CARA. Positions in the bullish scene are intended to reach the target beta of .70, while positions in a bearish scene may result in a beta less than .70. This allows for the aggregated portfolio to be optimized for gain and maintain the target maximum beta as a whole and throughout the defined business cycle. The portfolio seeks to reduce costs and whipsaw associated with more active management and focuses on aspects of portfolio construction that can be controlled by the asset manager. Beta is calculated based upon the one-year beta of the underlying positions, and re-optimization occurs upon scene change. If no such opportunity has occurred within a calendar year, the portfolio is re-optimized at year's end. In sum, this Target Max Beta Portfolio seeks to provide a repeatable investment experience across market cycles

and simultaneously take advantage of CARA's allocation process. Incidental benefits may include a reduction in some of the risks of active management, such as poor security selection, high turnover, and trading costs such as slippage.

#### *Target Income Portfolio*

Cabana released its Target Income Portfolio in April 2021, and it is designed for investors seeking a steady stream of income, while minimizing sequence of return risk as well as overall drawdown, through a tactical allocation model. The portfolio seeks a yield in excess of 4%, increasing as interest rates rise. Like all Cabana portfolios and products, it utilizes CARA to evaluate the repeating economic cycle and allocate assets accordingly.

Retired fact sheets for any of Cabana's current or former portfolios are available upon request. Please contact [info@thecabanagroup.com](mailto:info@thecabanagroup.com).

### **Cabana Target ETF Series**

#### *Target Drawdown 10 ETF*

On or about January 8, 2024, Cabana combined three of the five Target Drawdown ETFs into one Target Drawdown 10 ETF. This is designed to provide a core, risk-based, all-asset portfolio that is amenable to linear integration with other strategies with different performance characteristics. The ETF seeks to provide long-term growth within a targeted risk parameter of ten percent (10%) from peak to trough. ETF prospectuses are available at <https://cabanaetfs.com>.

#### *Target Leading Sector Moderate ETF*

On or about January 8, 2024, Cabana combined the three Target Leading Sector ETFs into one Target Leading Sector Moderate ETF. This is designed to support reallocation timing to be more sensitive to changes in the economic cycle, increasing the potential for volatility but also capital appreciation. The ETF seeks to provide exposure to sectors of the economy that we believe will potentially provide superior investment returns. ETF prospectuses are available at <https://cabanaetfs.com>.

#### *Target Beta 35 ETF*

On or about January 8, 2024, Cabana repurposed the Target Drawdown 7 ETF to become a Target Beta 35 ETF, which is designed to respond to only macro-economic trends, thus reducing sensitivity to market segmentation and the potential for volatility, trading slippage, and whipsaw. The ETF seeks to target a beta of 0.35% relative to the S&P 500 Equal Weight Index, although the beta exposure is not a fixed amount and will vary based on a proprietary algorithm, which looks to respond to market conditions. ETF prospectuses are available at <https://cabanaetfs.com>.

More information about Cabana ETFs can be found here: <https://cabanaetfs.com>.

## Risk and Data Analysis Platforms

### Nitrogen

Cabana uses Nitrogen (formerly known as Riskalyze) to identify each portfolio's risk benchmark. Nitrogen provides projections for potential gains and losses expected over time and in varying market scenarios. All of the Multi-Strategy Professional Series, the Target Drawdown Series, the Target Beta Series, and the Target Income Series Portfolios are available to advisers and firms within Nitrogen using the following identifiers:

- Multi-Strategy Conservative: #CABANAMSC
- Multi-Strategy Moderate: #CABANAMSM
- Multi-Strategy Growth: #CABANAMSG
- Multi-Strategy Aggressive: #CABANAMSA
- Target Drawdown 5: #CABANAD5 (available to CITs only)
- Target Drawdown 7: #CABANAD7
- Target Drawdown 10: #CABANAD10
- Target Drawdown 13: #CABANAD13
- Target Drawdown 16: #CABANAD16
- Target Beta 35: #CABANAB35
- Target Beta 50: #CABANA50
- Target Beta 70: #CABANA70
- Target Income: #CABANATI

Nitrogen is a third-party, independent risk alignment platform. Nitrogen provides a Risk Number based on downside risk. On a scale from 1 to 99, the greater the potential loss, the greater the Risk Number. The Risk Number is dynamic and will vary based on several factors. Detailed information about Nitrogen and the Risk Numbers can be found at <https://nitrogenwealth.com/>.

### Morningstar Institutional Data Manager

All the Multi-Strategy Professional Series, the Target Drawdown Series, the Target Beta Series, and the Target Income Series Portfolio are available within Morningstar Inc. The portfolios are in Morningstar's Tactical Allocation Category, which is made up of more than 500 total funds as of the date of this brochure. Morningstar IDs are as follows:

- Cabana Multi-Strategy Conservative – ID: F000010FNS
- Cabana Multi-Strategy Conservative Mo – ID: F000018434
- Cabana Multi-Strategy Moderate – ID: F000010FNU
- Cabana Multi-Strategy Moderate Mo - ID: F0000183XZ
- Cabana Multi-Strategy Growth – ID: F000010FNR
- Cabana Multi-Strategy Growth Mo – ID: F0000183YU
- Cabana Multi-Strategy Aggressive – ID: F000010FNT
- Cabana Multi-Strategy Aggressive Mo – ID: F00001842T

- Cabana Target Income – ID: F00001CJX2
- Cabana Target Drawdown 5 – ID: F0000165Q8
- Cabana Target Drawdown 5 Mo – ID: F0000185VW
- Cabana Target Drawdown 7 – ID: F0000165QA
- Cabana Target Drawdown 7 Mo – ID: F0000183X2
- Cabana Target Drawdown 10 – ID: F0000165QB
- Cabana Target Drawdown 10 Mo – ID: F00001843G
- Cabana Target Drawdown 13 – ID: F0000165QC
- Cabana Target Drawdown 13 Mo – ID: F00001843W
- Cabana Target Drawdown 16 – ID: F0000165QD
- Cabana Target Drawdown 16 Mo – ID: F0000185VU

### **Informa Investment Solutions**

Cabana’s portfolio data and analyses are available within Informa’s Global Manager Neighborhood. Informa IDs are as follows:

- Cabana LLC: 95410000
- Target Drawdown 5: 95410076 (available to CITs only)
- Multi Strategy Conservative: 95410071
- Multi Strategy Moderate: 95410072
- Multi Strategy Growth: 95410073
- Multi Strategy Aggressive: 95410074

### **Disclosure regarding Cabana’s Cyclical Asset Reallocation Algorithm (“CARA”)**

Cabana’s Multi-Strategy Professional Series, as well as all of our CITs and ETFs, are constructed and managed using the firm’s proprietary Cyclical Asset Reallocation Algorithm (“CARA”). CARA is designed to monitor macro-economic and technical market conditions in real-time in order to leverage dynamic tactical asset allocation with the principles of Modern Portfolio Theory. CARA seeks to dynamically allocate to asset classes that it determines, using data analytics, to be particularly attractive at any given time within the business cycle. Cabana uses CARA, indirectly, to invest, monitor, and rebalance individual client accounts. The bullet points below provide general considerations regarding CARA.

- CARA was developed by and is owned by Cabana LLC, which is a subsidiary of The Cabana Group, LLC. All revisions and updates to the algorithm are completed internally by Cabana LLC. No conflicts are known to exist as a result of Cabana’s development and proprietary use of the algorithm in its business activities.
- CARA incorporates various fundamental economic and technical price data, including public information concerning the yield curve (spread between short-and long-term interest rates), earnings of a broad spectrum of U.S. companies via the S&P 500 index, as well as a combination of price data concerning the same. It is assumed (i) that this type of macro information, when considered in aggregation, allows for a general description of the state of the recurring

economic cycle; (ii) that by identifying the current state of the economic cycle, it may be possible to determine which asset classes will be deemed attractive in order to facilitate optimized portfolio creation; and (iii) that any portfolio may be constructed to limit or minimize losses as a result of reallocation within the naturally-occurring economic cycle, in conjunction with incorporation of inversely and non-correlated assets and consistent with principles of Modern Portfolio Theory.

- CARA's limitations include but are not limited to (i) the non-linear nature of the economic cycle; (ii) asset performance affected by high-volume short-term trading; and (iii) black swan events that cause spikes in volatility. Particular risk to client accounts managed via CARA may result from periodic non-linear asset relationships in cyclical markets caused by a variety of unforeseen extraneous factors. While it is expected that correlation among major asset classes is relatively robust in a secular sense, there are times of convergence on otherwise non-correlated or even inversely correlated asset classes when there is market stress, and which may adversely impact CARA's methodology. Other notable risks may occur as a result of extended periods of financial asset dislocation, thereby resulting in "whipsaw," or excessive trading within a segment of the economic cycle. However, because of the top-down approach to underlying investments, as well as the macro nature of the data points that signal reallocation, the risks associated with unforeseen trading recommendations are minimized.
- CARA is a rules-based system that seeks to employ fundamentals of financial theory. Cabana will not override CARA unless Cabana's principals have determined that a breakdown or systemic change has occurred in the methods for which capital is deployed within the worldwide economic system. Modifications could also occur if CARA does not signal appropriate changes to risk assets as the economic cycle evolves, thus resulting in a portfolio materially and consistently violating its drawdown (risk) parameters. Absent such circumstances, Cabana will not halt trading or sell positions in response to stressed market conditions, as hedges are built into the portfolios as a result of the allocation process. It is assumed (i) that market conditions are ultimately driven by material changes within the financial system associated with monetary supply, opportunity for investment, and perceived risk relative to gain; (ii) that these conditions drive asset prices; and (iii) that short-term events are irrelevant over the long term unless they impact the fundamentals nature of investments as mentioned above. Moreover, when such circumstances do occur, they will be factored into the data points CARA evaluates, and assets will be reallocated accordingly. Cabana's portfolios, through CARA, seek to stay fully invested at all times while dynamically allocating capital across major asset classes in response to economic conditions.
- At Cabana, we believe that if clients understand the nature, purpose, and process of the investment, then clients are likely to stay invested during stressed markets and will thereby participate in market opportunities as they arise. This simple concept cannot be overstated. Once a client has chosen a portfolio consistent with his or her financial objectives and risk tolerance, the client's account is managed within our rules-based system. Human involvement is critical in the assessment of the risk tolerance and objectives of any client, as it allows for the

proper selection of Cabana's risk-based portfolios. In this way, the discretionary component of the investing process occurs on the front end (where it belongs), and the investment allocation remains objective and removed from subjective and emotional behavior by the investor and/or his/her advisor.

- Cabana's proprietary algorithm has been incrementally modified over time to optimize and automate its methodology. For instance, the current version of Cabana's proprietary algorithm includes automated price, earnings, and yield curve evaluation, whereas such data was manually input and evaluated in initial versions of Cabana's algorithm. Additionally, the universe of products available to Cabana's algorithm will change from time to time as more products become available in the market, which will likely materially impact performance over time.

For an in-depth overview of the methodology of Cabana's Cyclical Asset Reallocation Algorithm, we encourage a review of our White Paper, which is available upon request at [info@thecabanagroup.com](mailto:info@thecabanagroup.com).

**The following is a list of non-exclusive risks that apply to our strategies:**

**General Investment Risk:** All investments come with the risk of losing money. Investing involves substantial risks, including the complete possible loss of principal plus other losses, and may not be suitable for many members of the public. Investments, unlike savings and checking accounts at a bank, are not insured by the government to protect against market losses. Different market instruments carry different types and degrees of risk, and clients should familiarize themselves with the risks involved in the particular market instruments they intend to invest in.

**Loss of Value:** There can be no assurance that a specific investment strategy will achieve its investment objectives, and past performance should not be seen as a guide to future returns. The value of investments and the income derived may fall as well as rise, and investors may not recoup the original amount invested. Investments may also be affected by any changes in exchange control regulations, tax laws, withholding taxes, international, political, and economic developments, and government economic or monetary policies.

**Market Risk:** The market value of an investment will fluctuate as a result of the occurrence of the natural economic forces of supply and demand on that investment, its particular industry or sector, or the market as a whole. Market risk may affect a single issuer, industry, or sector of the economy or may affect the market as a whole. Market risk can affect any investment instrument, the underlying assets, or other instruments held by or traded within that investment instrument.

**Interest Rate Risk:** Fixed income securities and funds that invest in bonds and other fixed income securities may fall in value if interest rates change. Generally, the prices of debt securities rise when interest rates fall, and their prices fall when interest rates rise. Longer-term debt securities are usually more sensitive to interest rate changes.

**Commodity Investing Risk.** An investment in commodity-related companies may subject the account to greater volatility than investments in traditional securities. The commodities markets have experienced periods of extreme volatility. Similar future market conditions may result in rapid and substantial valuation increases or decreases in holdings.

**Credit Risk:** Investments in bonds and other fixed income securities are subject to the risk that the issuer(s) may not make required interest payments. An issuer suffering an adverse change in its financial condition could lower the credit quality of a security, leading to greater price volatility of the security. A lowering of the credit rating of a security may also offset the security's liquidity, making it more difficult to sell. Funds investing in lower-quality debt securities are more susceptible to these problems, and their value may be more volatile.

**High-Yield or Non-Investment Grade Securities Risk.** High-yield or non-investment grade securities (commonly referred to as “junk bonds”) and unrated securities of comparable credit quality are subject to the increased risk of an issuer’s inability to meet principal and interest payment obligations and are generally considered to be speculative. These securities may be subject to greater price volatility due to such factors as specific corporate developments, interest rate sensitivity, negative perceptions of the non-investment grade securities markets generally, real or perceived adverse economic and competitive industry conditions, and less secondary market liquidity. If the issuer of non-investment-grade securities defaults, an account may incur additional expenses to seek recovery.

**Issuer-Specific Risk.** Performance depends on the performance of the issuers to which client accounts have exposure. Issuer-specific events, including changes in the financial condition of an issuer, can negatively impact the value of a client’s holdings.

**Large-Capitalization Risk.** An account’s performance may be adversely affected if securities of large-capitalization companies underperform securities of smaller-capitalization companies or the market as a whole. The securities of large-capitalization companies may be relatively mature compared to smaller companies and, therefore, subject to slower growth during times of economic expansion. Large-capitalization companies may also be unable to respond quickly to new competitive challenges, such as changes in technology and consumer tastes.

**Real Estate Investment Risk.** Risks related to investments in real estate include declines in the real estate market, decreases in property revenues, increases in interest rates, increases in property taxes and operating expenses, legal and regulatory changes, a lack of credit or capital, defaults by borrowers or tenants, environmental problems, and natural disasters.

**Sector Focus Risk.** An account may invest a significant portion of its assets in one or more sectors and thus will be more susceptible to the risks affecting those sectors.

**Small and Mid-Capitalization Risk.** The small- and mid-capitalization companies in which an account invests may be more vulnerable to adverse business or economic events than larger, more established companies, and may underperform other segments of the market or the equity market as a whole. Securities of small- and mid-capitalization companies generally trade in lower volumes, are often more vulnerable to market volatility, and are subject to greater and more unpredictable price changes than larger capitalization stocks or the stock market as a whole.

**U.S. Government Securities Risk.** U.S. government securities are subject to price fluctuations and to default in the event that an agency or instrumentality defaults on an obligation not backed by the full faith and credit of the United States.

**Asset Allocation Risk.** An account's investment performance depends upon the successful allocation by us of the assets among asset classes. There is no guarantee that our allocation techniques and decisions will produce the desired results.

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

**Limited Authorized Participants, Market Makers, and Liquidity Providers Risk.** With respect to investing in ETFs, only a limited number of institutional investors (known as "Authorized Participants") are authorized to purchase and redeem shares directly from a Fund. In addition, there may be a limited number of market makers or liquidity providers in the marketplace. To the extent either of the following events occurs, the risk of which is higher during periods of market stress, shares of a Fund may trade at a material discount to their net asset value ("NAV") per share and possibly face delisting: (i) Authorized Participants exit the business or otherwise become unable to process creation and/or redemption orders and no other Authorized Participants step forward to perform these services, or (ii) market makers and/or liquidity providers exit the business or significantly reduce their business activities and no other entities step forward to perform their functions.

**New/Smaller Strategy Risk.** A new or smaller strategy is subject to the risk that its performance may not represent how the strategy is expected to or may perform in the long term. In addition, new strategies have limited operating histories for investors to evaluate.

**Foreign Exchange Risk:** Foreign investments may be affected favorably or unfavorably by exchange control regulations or changes in the exchange rates. Changes in currency exchange rates may influence the share value, the dividends or interest earned, and the gains and losses realized. Exchange rates between currencies are determined by supply and demand in the currency exchange markets, the international balance of payments, governmental intervention, speculation, and other economic and political conditions. If the currency in which a security is denominated appreciates against the US Dollar,

the value of the security will increase. Conversely, a decline in the exchange rate of the currency would adversely affect the value of the security.

**Risks Associated with Investing in Exchange Traded Funds (ETFs):** Investing in stocks and ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Investments in these securities are not guaranteed or insured by the FDIC or any other government agency.

**Risks Associated with Investing in Collective Investment Trusts (CIT):** Also known as a collective investment fund (CIF), a CIT is a group of pooled accounts held by a bank or trust company. The financial institution groups assets from individuals and organizations to develop a single, larger, diversified portfolio. There are two types of collective investment funds: (1) grouped assets contributed for investment or reinvestment (A1 funds); (2) grouped assets contributed for retirement, profit sharing, stock bonus, or other entities exempt from federal income tax (A2 funds). CITs are generally available to the individual only through employer-sponsored retirement plans, pension plans, and insurance companies. While they are similar in structure to mutual funds, CITs tend to have lower operating costs than mutual funds, since they don't have to meet Securities and Exchange Commission (SEC) reporting requirements such as providing prospectuses or installing independent boards of directors, for example. CITs are also offered only by banks and trust companies for retirement plans and are not available to the general public, unlike mutual funds, which investors can purchase directly or through a financial intermediary, such as a broker. The oversight of CITs is usually delivered by managers employed by the trustee, whereas mutual funds are led either by a mutual fund manager or a group of managers, as approved by a board of directors. CITs cannot be rolled over into IRAs or other accounts. Additionally, performance may be difficult to track, the operations may be less transparent than those of mutual funds, and there may be fewer investment options available.

**Economic Risk:** The prevailing economic environment is important to the health of all businesses. Some companies, however, are more sensitive to changes in the domestic or global economy than others. These types of companies are often referred to as cyclical businesses. Countries in which a large portion of businesses are in cyclical industries are thus also very economically sensitive and carry a higher amount of economic risk. If an investment is issued by a party located in a country that experiences wide swings from an economic standpoint or in situations where certain elements of an investment instrument are hinged on dealings in such countries, the investment instrument will generally be subject to a higher level of economic risk.

**Equity Securities Risk.** The prices of equity securities may rise and fall daily. These price movements may result from factors affecting individual issuers, industries, or the stock market as a whole.

**Emerging Markets Securities Risk.** Emerging markets are subject to greater market volatility, lower trading volume, political and economic instability, uncertainty regarding the existence of trading markets, and more governmental limitations on foreign investment than more developed markets. In addition, securities in emerging markets may be subject to greater price fluctuations than securities in

more developed markets. Differences in regulatory, accounting, auditing, financial reporting, and recordkeeping standards could impede our ability to evaluate local companies and impact account performance. Investments in securities of issuers in emerging markets may also be exposed to risks related to a lack of liquidity, greater potential for market manipulation, issuers' limited reliable access to capital, and foreign investment structures. Additionally, clients may have limited rights and remedies available to them to pursue claims against issuers in emerging markets.

**Higher Trading Costs:** For any investment instrument or strategy that involves active or frequent trading, clients may experience larger-than-usual transaction-related costs. Higher transaction-related costs can negatively affect overall investment performance. During times of volatility in the market, Cabana's Target Drawdown Portfolios may incur larger-than-usual transaction-related costs due to frequent rebalancing and allocation based on Cabana's proprietary algorithm. Lastly, frequent trading may subject investors to unfavorable tax consequences, including but not limited to wash sales. For more information about wash sales, read IRS Publication 550, Investment Income and Expenses (Including Capital Gains and Losses).

**Inflation Risk:** Inflation risk involves the concern that, in the future, investments or proceeds from investments will not be worth what they are today. Throughout time, the prices of resources and end-user products generally increase, and thus, the same general goods and products today will likely be more expensive in the future. The longer an investment is held, the greater the chance that the proceeds from that investment will be worth less in the future than they are today. Said another way, a dollar tomorrow will likely get less than what it can today.

**Legal/Regulatory Risk:** Certain investments or the issuers of investments may be affected by changes in state or federal laws or in the prevailing regulatory framework under which the investment instrument or its issuer is regulated. Changes in the regulatory environment or tax laws can affect the performance of certain investments or issuers of those investments and thus can negatively impact the overall performance of such investments.

**Liquidity Risk:** Certain assets may not be readily converted into cash or may have a very limited market in which they trade. Thus, clients may experience the risk that their investment or assets within their investment may not be able to be liquidated quickly, thus extending the period by which they may receive the proceeds from the investment. Liquidity risk can also result in unfavorable pricing when exiting (i.e., not being able to quickly get out of an investment before the price drops significantly) a particular investment and therefore, can negatively impact investment returns.

**Operational Risk:** Operational risk can be experienced when an issuer of an investment product or an investment manager is unable to carry out the business it has planned to execute. Operational risk can be experienced as a result of human failure, operational inefficiencies, system failures, errors, or the failure of other processes critical to the business operations of the issuer or counterparty to the investment.

**Political Risk:** These risks include political uncertainties in the US and foreign countries, including changes in governments through elections, rebellions, and international acts of terrorism. These political risks may adversely affect investments held by our clients.

**COVID-19:** Cabana's investment advisory activities and/or operations could be adversely affected by events outside of our control, such as natural disasters or health epidemics. Beginning in late 2019, the media have reported a public health epidemic originating in China, prompting precautionary government-imposed closures of certain travel and business. More recently, similar restrictions on travel and business spanning the economy for all activities not deemed essential have been imposed throughout the United States. These restrictions have caused unprecedented volatility and uncertainty in capital markets and have negatively impacted all sectors of the economy. Governments have moved to stimulate and support the economy; however, it is unknown how severe the impact on the economy and capital markets will be if the epidemic persists for an extended time. Cabana and its affiliates may incur expenses, delays, or interruption of critical business functions relating to such events outside of our control, which could have a material adverse impact on our investment advisory business, including, but not limited to, the performance of investments held by our clients.

**Pandemic Risk:** Large-scale outbreaks of infectious disease can greatly increase morbidity and mortality over a wide geographic area, crossing international boundaries, and causing significant economic, social, and political disruption. It is difficult to predict the long-term impact of such events because they are dependent on a variety of factors, including the global response of regulators and governments to address and mitigate the worldwide effects of such events. Workforce reductions, travel restrictions, governmental responses and policies, and macroeconomic factors could negatively impact investment returns.

**Cybersecurity Risk:** Our firm and our service providers are subject to risks associated with a breach in cybersecurity. Cybersecurity is a generic term used to describe the technology, processes, and practices designed to protect networks, systems, computers, programs, and data from cyber-attacks and hacking by other computer users, and to avoid the resulting damage and disruption of hardware and software systems, loss or corruption of data, and/or misappropriation of confidential information. In general, cyber-attacks are deliberate; however, unintentional events may have similar effects. Cyber-attacks may cause losses to clients by interfering with the processing of transactions, affecting the ability to calculate net asset value, or impeding or sabotaging trading. Clients may also incur substantial costs as a result of a cybersecurity breach, including those associated with forensic analysis of the origin and scope of the breach, increased and upgraded cybersecurity, identity theft, unauthorized use of proprietary information, litigation, and the dissemination of confidential and proprietary information. Any such breach could expose our firm to civil liability as well as regulatory inquiry and/or action. In addition, clients could be exposed to additional losses as a result of unauthorized use of their personal information. While our firm has established a business continuity plan and systems designed to prevent cyber-attacks, there are inherent limitations in such plans and systems, including the possibility that certain risks have not been identified. Similar types of cybersecurity risks are also present for issuers of securities, investment companies, and other investment advisers in which we invest, which could result

in material adverse consequences for such entities and may cause a client's investment in such entities to lose value.

**Force Majeure Risk:** Investments may be affected by force majeure events (i.e., events beyond the control of the party claiming that the event has occurred, including, without limitation, acts of God, fire, flood, earthquakes, outbreaks of infectious disease, pandemic or any other serious public health concern, war, terrorism, labor strikes, major plant breakdowns, pipeline or electricity line ruptures, failure of technology, defective design and construction, accidents, demographic changes, government macroeconomic policies, social instability, etc.). Some force majeure events may adversely affect the ability of a party (including a portfolio investment) to perform its obligations until it can remedy the force majeure event. In addition, forced events, such as the cessation of the operation of machinery for repair or upgrade, could similarly lead to the unavailability of essential machinery and technologies. These risks could, among other effects, adversely impact the performance of Cabana's portfolio investments, cause personal injury or loss of life, damage property, or instigate disruptions of service. Force majeure events that are incapable of or are too costly to cure may have a permanent adverse effect on Cabana. Certain force majeure events (such as war or an outbreak of an infectious disease) could have a broader negative impact on the world economy and international business activity generally, or in any of the countries in which Cabana may invest specifically. Additionally, a major governmental intervention into industry, including the nationalization of an industry or the assertion of control over industries, could result in a loss.

**Third-Party Risk:** We rely on certain software technology, which we license from third parties, and use in our services to perform key functions and provide additional functionality. Because our services incorporate software or platforms developed and maintained by third parties, we are, to a certain extent, dependent upon such third parties' ability to maintain or enhance their current products, develop new products on a timely and cost-effective basis, and respond to emerging industry standards and other technological changes. Further, these third-party technology licenses may not always be available to us on commercially reasonable terms or at all.

If our agreements with third-party vendors were not renewed or the third-party software fails to address our needs, we would be required to find alternative software services or technologies of equal performance or functionality. We cannot assure you that we will be able to replace the functionality.

#### **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's evaluation of us or the integrity of our management. Cabana, LLC and its principals have not been subject to disciplinary or legal disclosures.

## **Item 10 – Other Financial Industry Activities or Affiliations**

### **Registrations with Other Investment Advisers**

We are affiliated through common control and ownership with Corient Private Wealth LLC dba Corient, an SEC-registered investment adviser. Certain owners, officers, and other persons providing investment advice on behalf of our firm may be registered as investment adviser representatives of Corient. These individuals will be compensated for providing investment advisory services through Corient. Compensation earned in their separate capacities with Corient will be separate and distinct from our advisory fees. Persons who are dually registered with Corient have a financial incentive to recommend the advisory services of Corient. However, advisory clients of Cabana are not referred to Corient. Certain principal officers of Cabana may spend up to 95% of their professional time in their capacities with Corient.

### **Other Affiliations**

Cabana's in-house professionals offer services including legal counsel, estate and business planning, and insurance. Clients are not obligated to purchase insurance or utilize non-advisory services offered by any of our financial professionals.

#### *Insurance Activities*

Cabana LLC is affiliated with Cabana Financial LLC, an insurance agency through common control and ownership, and some persons providing investment advice on behalf of our firm are licensed as insurance agents. These persons will earn fees for selling insurance products.

#### *Attorneys*

G. Chadd Mason, Manager, and Louis Abraham Shaff, Manager, Christopher Lloyd Carns, and Jon Neal Prevost, minority members of The Cabana Group, LLC, through their wholly owned limited liability companies, are licensed attorneys.

Chadd Mason is the owner of Cabana Law Group, a law practice with its principal office in Fayetteville, Arkansas.

Louis Abraham Shaff and Christopher Lloyd Carns are attorneys with Hesse, Hesse & Blythe, PC dba Hesse<sup>3</sup> | Blythe | Carns, located in Plano, Texas.

Jon Neal Prevost is the Sole Proprietor of Prevost Law Firm. He also leads the Center for Divorce Management, a select listing of divorce attorneys.

#### *Sub-Advisory Services*

On or about September 17, 2020, Cabana launched a suite of Target Drawdown ETFs, in partnership with private label ETF advisor Exchange Traded Concepts ("ETC"). On July 13, 2021, Cabana launched a Target Leading Sector series of ETFs, also in partnership with ETC.

Cabana serves as a sub-advisor to the Cabana ETFs and is responsible for the Cabana ETF investment strategy. Cabana is not affiliated with ETC. Cabana receives an investment management fee for its investment advisory services related to Cabana's ETFs. The investment strategy and investment objectives for Cabana Target Drawdown ETFs are substantially similar to those of Cabana's other Target Drawdown products and are managed via Cabana's proprietary algorithm, though each product type has some material differences. Additionally, Cabana's Target Drawdown Series of Portfolios invests in Cabana's ETFs. Cabana has implemented procedures designed to disclose, minimize, and/or mitigate, as applicable, any conflicts arising from using its proprietary products within Cabana's portfolios or to minimize operational and trading issues that may arise from operating similar strategies across its various product lines. Detailed information regarding Cabana's ETF can be found in the offering documents, which are available at <https://thecabanagroup.com/etf-prospectus/>.

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

### **Description of Our Code of Ethics**

Cabana has adopted a Code of Ethics (the "Code") to address investment advisory conduct. The Code focuses primarily on fiduciary duty, personal securities transactions, insider trading, gifts, and conflicts of interest. The Code includes Cabana's policies and procedures developed to protect clients' interests in relation to the following topics:

- The duty at all times to place the interests of clients first;
- The requirement that all personal securities transactions be conducted in such a manner as to be consistent with the code of ethics;
- The responsibility to avoid any actual or potential conflict of interest or misuse of an employee's position of trust and responsibility;
- The fiduciary principle that information concerning the identity of security holdings and financial circumstances of clients is confidential; The principle that independence in the investment decision-making process is paramount; and
- Supervised persons must comply with applicable Federal securities laws.

A copy of Cabana's Code of Ethics is available upon request to Cabana at [info@thecabanagroup.com](mailto:info@thecabanagroup.com).

### **Personal Trading Practices**

At times, Cabana and its Associated Persons may hold the same securities as clients, which could be considered a potential conflict of interest. When trading the same or similar securities as those of a client, Cabana's policy is to ensure that such Associated Persons (or Cabana) will not intentionally or inadvertently benefit from trades placed on behalf of a client. For instance, it is Cabana's general policy, among others, that trades of Cabana and its Associated Persons in securities held by clients are not conducted until the day after signals for all recommended trades have been delivered to clients.

### Item 12 – Brokerage Practices

Due to the nature of our business, we do not have individual clients, do not trade accounts for clients, and do not recommend specific broker-dealers or custodians.

### Item 13 – Review of Accounts

Cabana's principals, along with Cabana's proprietary algorithm, regularly monitor Cabana model portfolios. We provide trade signals as determined by CARA for the Cabana portfolios to relevant parties.

### Item 14 – Client Referrals and Other Compensation

#### **Compensation for Client Referrals**

If an unaffiliated person refers a prospective client to Cabana (i.e., provides a testimonial or endorsement), Cabana may compensate the person through direct or indirect compensation in accordance with the requirements of amended Rule 206(4)-1 under the Advisers Act.

At the time the compensated testimonial or endorsement is provided, Cabana will clearly and prominently disclose or reasonably believe that the person giving the testimony or endorsement clearly and prominently discloses: 1) whether the persons providing the testimonial is a current client or endorsement is a non-client of Cabana, 2) that cash or non-cash compensation was provided to the person for the testimonial or endorsement, and 3) a brief description of any material conflicts of interest. The prospective client will also receive disclosures describing the material terms of the compensation to be provided to the person for the testimonial or endorsement, and a description of any material conflicts of interest that exist between the person providing the testimonial or endorsement and Cabana. Persons who refer clients to investment advisers for compensation are called promoters. Cabana has promoter agreement arrangements in effect, whereby it provides compensation for institutional client referrals. Cabana, LLC does not receive any compensation for providing client referrals to third parties, nor does it act as a promoter to any third party.

Cabana, LLC does not receive any cash or non-cash compensation from any third party that is not a client of Cabana, LLC.

### Item 15 – Custody

Cabana does not have physical custody of any assets held for Clients, does not have signatory authority over Client accounts, and does not directly debit fees from Client accounts.

### **Item 16 – Investment Discretion**

Our services are offered on either a discretionary basis or, in limited circumstances, on a non-discretionary basis.

### **Item 17 – Voting Client Securities**

Except for procedures related to and occurring within Cabana's ETFs, Cabana does not vote proxies. The custodian, and not Cabana, is responsible for the timely transmission of any proxy materials to the appropriate party. Third parties may or may not vote proxies in accordance with their respective disclosures and written policies and procedures.

### **Item 18 – Financial Information**

We are required in this Item to provide certain financial information and/or disclosures about Cabana's financial condition. Cabana does not require the prepayment of over \$1,200 in fees, six or more months in advance. Additionally, Cabana has no financial condition that impairs its ability to meet contractual and fiduciary commitments to our clients and has not been the subject of a bankruptcy proceeding.