

OUR PURPOSE & VISION

Alpha DNA is an investment management firm with an innovative and proprietary research platform. We utilize alternative data and artificial intelligence to build better equity portfolios for our clients. We work exclusively with advisors to deliver our equity strategies in the client's brokerage account at firms like Charles Schwab and Fidelity. By partnering with advisors, we can customize the client's portfolio exposure to target a specific risk/return profile. Our commitment to continuous improvement has produced multiple new strategies and research enhancements that have improved our risk-adjusted returns.

RECOMMENDED DUE DILGENCE QUESTIONNAIRE FOR A.I. BASED INVESTMENT MANAGERS

Describe the A.I. you are using.

- What are you using Machine Learning for?
- What is the objective function?
- Are you using classical machine learning or neural networks?
- · What data do you use?
- · What is the time horizon of the predictions?
- How long do you go between retraining your parameters?
- Is your data structured or unstructured?
- Explain the extent of use in supervised vs unsupervised learning.

Is the A.I. predictive?

- What do your AI algorithms predict? How does that correlate to better investment returns?
- How likely is it that you overfit your data?
- How much test data do you have?
- How do you regularize your algorithm?
- What is the distribution of results? Are there major outliers?
- · How much separation is there from train to test?
- Do you use cross validation?
- · Do you more strongly weight more recent data?

Is it real?

- What is different about your investment process today versus before the use of A.I.?
- Can we please meet the data scientists that make your Al routines possible?
- How much data do you use? How frequently is the data updated?
- How do you curate the data? How do you monitor the quality of the data?
- How do you handle outliers/bad data?
- Do you normalize your data?
- · Do you do anything to de-bias inputs?
- How do you ensure future data isn't being used in back-testing?
- How many models have been run?

Is it intuitive?

- Is this easy enough for me to explain your approach to my clients? Will it be easy for them to understand?
- Is it black box and/or opaque?
- · Are there any auxiliary outputs?
- Do the results make economic sense?
- · How do you test the results?
- · Are there meaningful intermediate results?

This presentation does not contain all the information that a prospective investor may desire in considering an investment with the firm and is qualified in its entirety by reference to the more detailed information that is available on our website at <u>www.ahbadhaim.com</u> or will be contained in the presentation. All investments involve the risk of potential investment losses as well as the potential for investment gains. Prior performance is no guarantee of future results and there can be no assurance, and clients should not assume, that future performance of any of the model portfolios will be comparable to past performance. Alpha DNA Investment Management and alpha-dna, IIc are two separate entities. alpha-dna, IIc is a research firm and Alpha DNA Investment Management is an Investment Advisor.