

# Disclosure

Revised September 2015

## General

Wahed Invest LLC. ("Wahed") operates a website at [www.wahedinvest.com](http://www.wahedinvest.com). Wahed is a registered investment advisor with the Securities and Exchange Commission under the investment advisors Act of 1940, as amended. Wahed does not provide financial planning to investors, such as estate, or retirement planning. Nothing on the Wahed website should be construed as any kind of solicitation or offer, or recommendation, to buy or sell any security.

Financial advisory services are only provided to investors who become Wahed Clients ("Clients") pursuant to a written Client Agreement, which investors are encouraged to read carefully and thoroughly.

PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS, AND ANY EXPECTED RETURNS OR HYPOTHETICAL PROJECTIONS MAY NOT REFLECT ACTUAL FUTURE PERFORMANCE. FURTHERMORE, PAST RETURNS MAY REFLECT THE PERFORMANCE OF ASSETS FOR A FINITE TIME, OR DURING A PERIOD OF EXTREME MARKET ACTIVITY. ALL INVESTMENTS INVOLVE RISK AND MAY LOSE MONEY. There can be no assurance that an investment mix or any projected or actual performance shown on the Site will lead to the expected results shown or perform in any predictable manner. It should not be assumed that investors will experience returns in the future, if any, comparable to those shown or that any or all of Wahed's Clients experienced such returns.

## Wahed Process

Wahed provides Clients with financial advice that is based on the Nobel Prize winning Modern Portfolio Theory (MPT). We select proportions of various asset classes rather than individual securities to attempt to maximize a portfolio's expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return. We use Mean Variance Optimization to evaluate every possible combination of the following asset classes: US equities, foreign developed markets equities, emerging markets equities, real estate, commodities and fixed income funds. In addition, we continually review the

population of all Ethically compliant securities, giving preference to ETFs, in order to identify the most appropriate securities to represent each asset class.

## **ETF Selection Disclosure**

We invest our client's money in ETFs as they help us reduce the unnecessary overheads. Our ETFs selection process is aimed primarily to select those ETFs which can provide the desired asset class exposure with the least tracking error. Although our selection process identifies the most liquid ETFs with low expenses, there is no guarantee that these ETFs will perform well in the future.

All the securities included in our portfolio are 100% Ethically compliant. Wahed never invests in companies that derive more than 5% of their revenue from business activities like:

- Providing non-Islamic financial services and any other related interest services
- Manufacturers/sellers of products or services not approved by the Islamic principles (i.e. liquor, tobacco, gambling, pork, etc.)
- Producers and distributors of music, radio, films and television shows

Clients should be aware that in some limited instances, the ethically Compliant ETFs may have hidden expenses which may reduce its value and affect the portfolio's performance.

## **Performance Disclosures**

Performance information is presented without of all management fees, commissions and expenses unless indicated otherwise. For all periods, the performance information includes the reinvestment of dividends and interest unless otherwise noted.

Any comparison to traditional investment advisors is based on an evaluation of average fees and returns. Actual results may be different for each investor and there can be no guarantee of enhanced earnings due to additional diversification, managed account selection or the use of Wahed's services. Projected or hypothetical performance is intended to show only an expected range of possible investment outcomes based on historical average returns and a standard deviation of each investment type contained in the investment plan recommended by Wahed's, but does not take into consideration the effect of

taxes, changing risk profiles or future investment decisions. Projected and hypothetical performance does not represent actual accounts or actual trades and may not reflect the effect of material economic and market factors. The actual transaction costs in Client accounts may be different.

Actual investors with Wahed's may experience different results from any hypothetical results shown. There is a potential for loss as well as gain that is not reflected in the hypothetical information portrayed. The hypothetical performance results shown do not represent the results of actual trading using client assets but were achieved by means of the retroactive application of a model designed with the benefit of hindsight. Investors should carefully review the additional information presented by Wahed as part of any hypothetical comparison.

ANY COMPARISONS TO INDICES ARE PROVIDED FOR ILLUSTRATIVE PURPOSES ONLY. AN INDEX IS A BROADLY DIVERSIFIED, UNMANAGED GROUP OF SECURITIES,

WHICH MAY INCLUDE ONLY LARGE CAPITALIZATION COMPANIES OR COMPANIES OF A CERTAIN SIZE. BROADLY BASED INDICES MAY BE SHOWN ONLY AS AN INDICATION OF THE GENERAL PERFORMANCE OF THE FINANCIAL MARKETS DURING THE PERIODS INDICATED. BECAUSE OF THE DIFFERENCES BETWEEN THE CLIENT ALLOCATIONS AND ANY INDICES SHOWN, MULTIPLYWEALTH CAUTIONS INVESTORS THAT NO INDEX IS DIRECTLY COMPARABLE TO THE PERFORMANCE SHOWN SINCE EACH INDEX HAS ITS OWN UNIQUE RESULTS AND VOLATILITY, AND SUCH INDICES, IF SHOWN, SHOULD NOT BE RELIED UPON AS AN ACCURATE COMPARISON.

The return, composite and performance information shown on the Site uses or includes information compiled from third-party sources, including independent market quotations and index information. Wahed believes the third-party information comes from reliable sources, but Wahed does not guarantee the accuracy of the Site information and may receive incorrect information from third-party providers. Unless otherwise indicated, the information on the Site has been prepared by Wahed and has not been reviewed, compiled or audited by any independent third-party or public accountant.

## **Fee Disclosures**

Fees may vary for each account. Advisory fees are charged depending on the amount of assets under management. Our general fee structure ranges from 0.49% to 0.79% of Assets Under Management annually. To learn more about our fee structure, please refer to Wahed's Wrap Fee Brochure.

