



X-Square Capital FORM ADV PART 3, CLIENT RELATIONSHIP SUMMARY (FORM CRS), March 2024

Item 1. Introduction

X-Square Capital LLC is an investment adviser registered with the Securities and Exchange Commission (SEC). Brokerage and investment advisory services and fees differ, and that it is important for you to understand these differences. Free and simple tools are available to research firms and financial professionals at Investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisers, and investing.

Item 2. Relationships and Services *What investment services and advice can you provide me?*

X-Square Capital offers investment advisory services to individuals, joint accounts, trusts and corporations, financial planning (assessing each client unique situation and providing advice to create a plan and achieve their goals) and portfolio management (evaluating and selecting investments among different asset classes). With the clients' discretionary authority, **X-Square Capital** determines which assets to purchase or sell in your account; can request that checks be remitted to you at your address of record; and with your consent deduct advisory fees from your account(s).

X-Square Capital monitors accounts on a monthly basis, and often more frequently. Powered through a third-party website and application, our clients are able to monitor their accounts,



having direct access to monthly reports, which show account activity summary, portfolio holdings, returns, income & expenses, and realized gains & losses from the palm of their hands.

As a fiduciary, we are bound by law to act in the client's best interest. **X-Square Capital** provides fee-based investment services, which aligns both the clients and the firm's interest. Our firm does not have a minimum account size. For additional information about our advisory services, please refer to our Form ADV Part 2A (Items 4 and 7) Firm Brochure.

CONVERSATION STARTER: Ask your financial professional:

- *Given my financial situation, should I choose a [brokerage service or investment advisory service? Why or why not?*
- *How will you choose investments to recommend to me?*
- *What is your relevant experience, including your licenses, education, and other qualifications? What do these qualifications mean?*

Item 3. Fees, Costs, Conflicts, and Standard of Conduct *What fees will I pay?*

X-Square Capital investment advisory fees are established as a percentage of assets under management and are paid monthly, in arrears. Our fixed fee arrangements are based on the amount of work we expect to perform for the client. Clients may also pay brokerage fees to third parties when buying or selling assets, or fees to third-party managers of mutual funds and exchange traded funds, which might impose additional fees.

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.

For additional information, please see Form ADV 2A (Item 5) Firm Brochure.

CONVERSATION STARTER: Ask your financial professional:



- *Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?*

What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?

When **X-Square Capital** acts as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means:

- **X-Square Capital** charges an investment advisory fee based on the assets we manage. We may therefore have an incentive to recommend adding assets to an account that we manage that increases the fee you pay us.
- **X-Square Capital** affiliated investment funds charge management fees. We may therefore have an incentive to recommend our models to you.

For additional information about potential conflicts of interest, please see Form ADV 2A (Item 10 and 11) Firm Brochure.

How do your financial professionals make money?

X-Square Capital's financial professionals are employees of the firm and are paid a fixed monthly salary. The firm's profitability benefits all employees. No employee nor the firm receives commissions, gifts, or incentives for investments made in clients' accounts.



Item 4. Disciplinary History

Do you or your financial professionals have legal or disciplinary history?

No. Visit Investor.gov/CRS for a free and simple search tool to research you and your financial professionals.

CONVERSATION STARTER: *Ask your financial professional:*

- *As a financial professional, do you have any disciplinary history? For what type of conduct?*

Item 5. Additional Information

For additional information about our services, please go www.xsquarecapital.com or refer to our Form ADV Part 2A Firm Brochure. If you would like additional, up-to-date information or a copy of this disclosure, please call 787-282-1621.

CONVERSATION STARTER: *Ask your financial professional:*

- *Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?*