



Form ADV Part 2A

Uniform Application for Investment Adviser Registration

**June 15, 2012**

This brochure provides information about the qualifications and practices of Greenline Partners, LLC (“Greenline”), an investment adviser registered with the United States Securities and Exchange Commission (“SEC”). Registration with the SEC does not imply that Greenline or its employees possess a certain level of skill or training. The information in this brochure has not been approved or verified by the SEC or by any states securities authority. Please contact Greenline if you have any questions about the contents of this brochure.

Additional information about Greenline is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

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**Item 2: Material Changes.**

This brochure dated May \_\_, 2012 (the “Brochure”), contains no material changes from a prior brochure.

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#### **Item 4: Advisory Business.**

Greenline provides portfolio and asset management services on a discretionary basis to a wide range of investors (collectively, "Clients"). Greenline also provides investment consulting services on a non-discretionary basis.

Greenline began operations in 2012. Its principal owners are Maneesh Shanbhag, Andrew Medvedev and Peter Joers.

Greenline tailors its services to each Client. First and foremost, the recommendations or management for each client is customized to the specific goals of each Client including targeted return, risk tolerance, and cash flow needs. Additional considerations include tax efficiency, family obligations, gifting desires and any other individualized limitations requested by the Client.

Greenline is a Limited Liability Company, with offices in New York, NY and organized under the laws of Connecticut.

#### **Item 5: Fees and Compensation.**

For both consulting and asset management relationships, fees are negotiable, and individual arrangements are based on Client specific factors, including, but not limited to, assets under management and the risk/return parameters of the investment. Among the possible variations are reductions in the base fee rate, inclusion of a performance based fee, and pass through of custodial and other costs.

Typical fees are,

Asset management clients:

Annual fees: 1.25% of assets under management.

Consulting clients:

Annual fees: 0.15% of assets for which consulting services are provided.

##### Additional Fees and Expenses

Greenline manages all investments through separate Client accounts. In addition to the fees stated above, there are additional fees born by Clients, such as fees charged by investment vehicles used in the management of client accounts including but not limited to pooled investment vehicles, custodian costs, transaction expenses (including brokerage fees), and legal expenses. Clients may be charged additional fees by their service providers, such as a wire transfer fee from a bank.

Pooled investment vehicles: Including but not limited to mutual funds and ETF's. All fees paid to Greenline for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders, which are described in each fund's prospectus. Those fees will generally include a management fee, other fund expenses, and a possible distribution fee. A client could invest in a mutual fund or ETF directly, without our services. In that case, the client would not receive the services provided by Greenline which are designed to assist the client in determining which funds are most appropriate to each client's financial condition and objectives. Clients should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Separately Managed Account Fees: Clients participating in separately managed account programs may be charged fees in addition to the advisory fee charged by our Firm. Examples of such charges include, but are not limited to, brokerage

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commissions, prime broker or trade away charges, wire transfer fees, fees associated with checks, margin interest on margin balances, safekeeping fees, account transfer fees as well as other miscellaneous items that may be charged by the account custodian. Greenline does not charge these miscellaneous account fees but may receive an economic benefit from these fees through Schwab. For more details on these additional charges, see Item 12.

**Termination Fees:** Greenline charges no termination fee. An advisory relationship with Greenline can be terminated (as documented in the written agreement between Greenline and the Client) upon written notice delivered by one party to the other. Fees due and payable through the date of termination are earned by Greenline, and will be payable to Greenline in the form that the Client normally pays its fees to Greenline at the time of termination of the relationship.

Greenline's fees are paid in accordance with the terms of the client's signed agreement with Greenline. In most cases, for its asset management clients, Greenline receives its fees directly from the account's custodian. In the case of some asset management clients and for all consulting clients, they are billed for the period specified in their agreement. All Clients receive invoices itemizing the fee charged. Generally, fees are assessed and paid quarterly. All fees are billed in arrears.

Greenline does not act in any capacity as a broker-dealer, and accordingly, Greenline does not receive any compensation for acting as a broker-dealer. In addition, neither Greenline nor any of its supervised persons accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of pooled investment vehicles.

As discussed below, unless the client directs otherwise or an individual client's circumstances require, Greenline shall generally recommend that Charles Schwab & Co., Inc. serve as the broker-dealer/custodian for client investment management assets. Broker-dealers such as Charles Schwab & Co., Inc. charge brokerage commissions and/or transaction fees for effecting certain securities transactions (i.e. commissions are charged for individual equity and fixed income securities transactions). In addition to Greenline's investment management fee, brokerage commissions and/or transaction fees, clients will also incur, relative to all pooled investment vehicle purchases, charges imposed at the fund level (e.g. management fees and other fund expenses).

For more information see Item 12.

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

As noted in Item 5, Greenline may charge performance-based fees, as well as enter into fixed fee arrangements.

Greenline undertakes to act in a fair and equitable manner and to resolve and mitigate conflicts or potential conflicts in a timely manner. Because Greenline has the responsibility for managing more than one account, sometimes with different fee structures, (e.g., side-by-side management), potential conflicts of interest can arise, including but not limited to

1. Potential for providing preferential treatment to one account over others in terms of allocation of management time, resources, and investment opportunities.
2. Incentive to trade some accounts more aggressively than others in an effort to maximize the profits for those accounts in which Greenline would share a performance based fee.

To mitigate both of the above risks, Greenline's investment committee determines target holdings and weightings for each investment strategy. Greenline has policies and procedures in place to so that investment strategies are systematically applied at an account level to minimize any potential for bias. Greenline has also put in place policies and procedures to address trade allocation decisions and block trading. These policies and procedures (discussed more fully in Item 12) seek to ensure fair allocation of investment opportunities among all Clients. Greenline's principals periodically examine accounts managed according to similar risk and return parameters to ensure that any material divergence in portfolio holdings is adequately understood.

To the extent that Greenline enters into performance-based fee arrangements with managed account Clients, such

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fees are subject to negotiation with each such Client. Greenline structures any performance or incentive fee arrangement in accordance with Section 205(a)(1) and Rule 205-3 of the Investment Advisers Act of 1940 (the “Advisers Act”).

### Item 7: Types of Clients.

Greenline provides services that are available to the following types of Clients and potential Clients:

- Individuals, including high net worth individuals ,
- trusts and estates,
- institutions, including charitable foundations, endowments, pensions, and family offices,
- pooled investment vehicles,
- profit sharing plans,
- other investment advisers,
- corporations or other business entities not listed above.

Greenline’s investment minimums vary according to scope of the overall client relationship. Generally, Greenline’s managed account minimum is \$1 million. Minimum account size may be waived for certain investors at Greenline’s discretion.

### Item 8: Methods of Analysis, Investment Strategies and Risk of Loss.

Greenline applies a common investment framework in both asset management and consulting relationships. This framework is primarily fundamental in nature and is oriented towards building diversified, tax-efficient, long-term focused portfolios for our clients. We are not actively trading markets to seek out short-term profits. Portfolios that Greenline builds and recommends can be implemented using a broad variety of assets, including but not limited to equities, fixed income, commodities and pooled investment vehicles.

#### Risk of Loss

Past performance is not indicative of future results. Therefore, current and prospective clients should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities (including stocks, bonds, and pooled investment vehicles) involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. Clients and prospective clients should be prepared to bear investment loss including loss of original principal.

We do not represent to any client, either directly or indirectly, any level of performance or any representation that our professional services will not result in a loss to the Client’s invested assets. We do our very best as an investment adviser to manage risk exposures and to prevent losses; however, losses cannot be prevented in all cases. Below are certain additional risks associated when investing in securities through our investment management program.

- Market Risk – Any market, whether stocks, bonds, or other asset classes goes up and down as a result of overall market conditions. When markets go down, this can result in a decrease in the value of client investments. This is also referred to as systemic risk.
- Equity (stock) market risk – Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.
- Fixed Income Risk – When investing in bonds, there is the risk that issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.
- ETF and Mutual Fund Risk – When our firm invests in an ETF or mutual fund, it will bear additional

expenses based on its pro rata share of the ETFs or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities held by the ETF or mutual fund, including equities, fixed income, commodities, and derivatives on such securities.

- Liquidity Risk – High volatility and/or the lack of deep and active liquid markets for a security may prevent a Client from selling their securities at all, or at an advantageous time or price because Greenline and the Client's broker may have difficulty finding a buyer and may be forced to sell at a significant discount to market value. Some securities (including ETFs) that hold or trade financial instruments may be adversely affected by liquidity issues as they manage their portfolios. While Greenline values the securities held in Client Accounts based on reasonably available exchange-traded security data, Greenline may from time to time receive or use inaccurate data, which could adversely affect security valuations, transaction size for purchases or sales, and/or the resulting advisory fees paid by a Client to Greenline.
- Concentration Risk – Portfolios managed by Greenline may from time to time be concentrated in a single security, geographic region, or asset class. The value of Client accounts will vary considerably in response to changes in the market value of that individual security, region or asset class. This may result in higher volatility.
- Foreign Investing and Emerging Markets Risk – Foreign investing involves risks not typically associated with U.S. investments, and the risks may be exacerbated further in emerging market countries. These risks may include, among others, adverse fluctuations in foreign currency values, as well as adverse political, social and economic developments affecting one or more foreign countries. In addition, foreign investing may involve less publicly available information and more volatile or less liquid securities markets, particularly in markets that trade a small number of securities, have unstable governments, or involve limited industry. Investments in foreign countries could be affected by factors not present in the U.S., such as restrictions on receiving the investment proceeds from a foreign country, foreign tax laws or tax withholding requirements, unique trade clearance or settlement procedures, and potential difficulties in enforcing contractual obligations or other legal rules that jeopardize shareholder protection. Foreign accounting may be less transparent than U.S. accounting practices and foreign regulation may be inadequate or irregular.
- Inflation, Currency, and Interest Rate Risks – Security prices and portfolio returns will likely vary in response to changes in inflation and interest rates. Inflation causes the value of future dollars to be worth less and may reduce the purchasing power of an investor's future interest payments and principal. Inflation also generally leads to higher interest rates, which in turn may cause the value of many types of fixed income investments to decline. In addition, the relative value of the U.S. dollar-denominated assets primarily managed by Greenline may be affected by the risk that currency devaluations affect Client purchasing power.
- Legislative and Tax Risk – Performance may directly or indirectly be affected by government legislation or regulation, which may include, but is not limited to: changes in investment advisor or securities trading regulation; change in the U.S. government's guarantee of ultimate payment of principal and interest on certain government securities; and changes in the tax code that could affect interest income, income characterization and/or tax reporting obligations (particularly for ETF securities dealing in natural resources). In certain circumstances a Client may incur taxable income on their investments without a cash distribution to pay the tax due.
- Counterparty Risk – Counterparty risk is the risk to Greenline that the counterparty to a services contract will not fulfill its contractual obligations. Should the counterparty fail to fulfill its obligations to Greenline, clients could potentially incur significant losses and may have access to their accounts and investments limited or restricted.
- Advisory Risk – There is no guarantee that Greenline's judgment or investment decisions about particular securities or asset classes will necessarily produce the intended results. Greenline's judgment may prove to be incorrect, and a Client might not achieve her investment objectives. Greenline may also make future changes to the investing process and advisory services that it provides. In addition, it is possible that we fail to manage our business such that Greenline remains a going concern which would be disruptive to our Clients as they would need to find a new investment advisor.

**The foregoing list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment in any or all of the strategies. Prospective Clients should read this entire Form ADV and all accompanying materials provided by Greenline before deciding whether to invest with us. In addition, as our investment philosophy develops and changes over time, an investment with Greenline may be subject to additional and different risk factors. Greenline will promptly amend this Brochure if and when any information regarding its investment risks becomes materially inaccurate.**

### **Item 9: Disciplinary Information.**

As a registered investment adviser, we are required to disclose all material facts regarding any legal or disciplinary events that would be material to our Clients' evaluation of Greenline or any of our management persons (as identified above).

Neither Greenline nor Greenline's supervised persons have any disclosures applicable to this item.

### **Item 10: Other Financial Industry Activities and Affiliations.**

As a registered investment adviser, we are required to disclose under this Item outside financial services activities or affiliations.

Neither Greenline nor Greenline's supervised persons have outside business activity or affiliations to disclose.

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

Greenline maintains an investment policy relative to personal securities transactions. This investment policy is part of Greenline's overall Code of Ethics, which serves to establish a standard of business conduct for all of Greenline's Representatives that is based upon fundamental principles of openness, integrity, honesty and trust.

Greenline and/or representatives of Greenline may buy or sell public securities that are also recommended to clients. Additionally, Greenline and/or representatives of Greenline may buy or sell public securities at around the same time as those securities are recommended to clients. This practice may create a situation where Greenline and/or representatives of Greenline are in a position to materially benefit from the sale or purchase of those public securities. Therefore, this situation creates a potential conflict of interest. Greenline has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of Greenline's principals and employees. Greenline's securities transaction policy requires that principals and employees of Greenline must periodically (at least once every calendar year) provide the Chief Compliance Officer or his/her designee with a written report of their current securities holdings.

In accordance with Section 204A of the Investment Advisers Act of 1940, Greenline also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by Greenline or any person associated with Greenline. In this respect, the Code generally requires:

- Confidential treatment of non-public and confidential information on all clients
- A prohibition on trading (for Greenline, their personal accounts or any client account when we are in possession of material, non-public information on an issuer of a security (until such time the information is generally available to the investing public)
- Recertification of the Code (and compliance with the Code) on at least an annual basis and whenever the Code is materially updated

A copy of the Code of Ethics is available upon request by submitting a request to Greenline's Chief Compliance Officer at [compliance@glinepartners.com](mailto:compliance@glinepartners.com).

### **Item 12: Brokerage Practices.**

### **The Custodian and Brokers We Use**

Greenline does not maintain custody of Client assets that we manage/on which we advise (although we may be deemed to have custody of Client assets if Clients give us authority to withdraw assets from their account (see Item 15 Custody, below). Client assets must be maintained in an account at a “qualified custodian,” generally a broker-dealer or bank. Greenline recommends that Clients use Charles Schwab & Co., Inc. (Schwab), a FINRA-registered broker-dealer, member SIPC, as the qualified custodian. Greenline is independently owned and operated and not affiliated with Schwab. Schwab will hold Client assets in a brokerage account and buy and sell securities when we instruct them to. While Greenline recommends that Clients use Schwab as custodian/broker, Clients will decide whether to do so and open their account with Schwab by entering into an account agreement directly with them. Greenline does not open the account for Clients. Even though Clients’ accounts are maintained at Schwab, we can still use other brokers to execute trades for your account, as described in the next paragraph.

### **How Greenline Select Brokers/Custodians**

Greenline seeks to select a custodian/broker who will hold Client assets and execute transactions on terms that are overall most advantageous when compared to other available providers and their services. Greenline considers a wide range of factors, including, among others, these:

- combination of transaction execution services along with asset custody services (generally without a separate fee for custody)
- capability to execute, clear and settle trades (buy and sell securities for Client accounts)
- capabilities to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- breadth of investment products made available (stocks, bonds, exchange traded funds (ETFs), etc.)
- quality of services
- competitiveness of the price of those services (commission rates, other fees, etc.) and willingness to negotiate them
- reputation, financial strength and stability of the provider
- their prior service to us and our other Clients
- availability of other products and services that benefit Greenline, as discussed below (see “Products and Services Available to Us from Schwab”)

### **Client Brokerage and Custody Costs**

For Clients’ accounts it maintains, Schwab generally does not charge separately for custody services but is compensated by charging commissions or other fees on trades that it executes or that settle into their Schwab account. In addition to commissions Schwab charges a flat dollar amount as a “prime broker” or “trade away” fee for each trade that Greenline has executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into Clients’ Schwab account. These fees are in addition to the commissions or other compensation Clients pay the executing broker-dealer. Because of this, in order to minimize trading costs, Greenline has Schwab execute most trades for Client accounts.

### **Products and Services Available to Greenline from Schwab**

Schwab Advisor Services (formerly called Schwab Institutional) is Schwab’s business serving independent investment advisory firms like Greenline. They provide us and our Clients with access to its institutional brokerage – trading, custody, reporting and related services – many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help Greenline manage or administer our clients’ accounts while others help us manage and grow our business. Schwab’s support services are generally available on an unsolicited basis (we don’t have to request them) and at no charge to Greenline as long as we keep a total of at least \$10 million of Clients’ assets in accounts at Schwab. If we have less than \$10 million in client assets at Schwab, they may charge us quarterly service fees. Here is a more detailed description of Schwab’s support services:

Services that Benefit Clients. Schwab’s institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which Greenline might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab’s services described in this paragraph generally benefit Clients and their account.



Services that May Not Directly Benefit Clients. Schwab also makes available to Greenline other products and services that benefit us but may not directly benefit Clients or their account. These products and services assist us in managing and administering Clients' accounts. They include investment research, both Schwab's own and that of third parties. Greenline may use this research to service all or some substantial number of our clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- provide access to client account data (such as duplicate trade confirmations and account statements);
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts;
- provide pricing and other market data;
- facilitate payment of our fees from our clients' accounts; and
- assist with back-office functions, recordkeeping and client reporting.

Services that Generally Benefit Only Us. Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- educational conferences and events
- technology, compliance, legal, and business consulting;
- publications and conferences on practice management and business succession; and
- access to employee benefits providers, human capital consultants and insurance providers.

Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to Greenline. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. Schwab may also provide Greenline with other benefits such as occasional business entertainment of our personnel.

#### **Greenline's Interest in Schwab's Services**

The availability of these services from Schwab benefits Greenline because we do not have to produce or purchase them. We don't have to pay for Schwab's services so long as we keep a total of at least \$10 million of client assets in accounts at Schwab. Beyond that, these services are not contingent upon us committing any specific amount of business to Schwab in trading commissions or assets in custody. The \$10 million minimum may give us an incentive to recommend that Clients maintain their account with Schwab based on our interest in receiving Schwab's services that benefit our business rather than based on Clients' interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a potential conflict of interest. We believe, however, that our selection of Schwab as custodian and broker is in the best interests of our Clients. It is primarily supported by the scope, quality and price of Schwab's services (based on the factors discussed above – see "How Greenline Select Brokers/Custodians") and not Schwab's services that benefit only Clients whose assets under management are custodied at Schwab. Greenline expects to maintain at least \$10 million of those assets at Schwab, once we are able to do so, in order to avoid paying Schwab quarterly service fees, which presents a material conflict of interest.

The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, Greenline's investment management fee.

#### **Soft Dollar Policy**

Greenline has full discretionary authority to manage Client accounts, including authority to make decisions with respect to which securities are bought and sold, the amount and price of those securities, the brokers or dealers to be used for a particular transaction, and commissions or markups and markdowns paid. Greenline's authority is limited by its own internal policies and procedures and each Client's investment management agreement. In selecting brokers and dealers to effect portfolio transactions for its Clients, Greenline seeks to obtain best execution, taking into consideration Greenline's best execution policies and procedures as well as its fiduciary duties to its Clients. Greenline does not enter into any formal arrangements for the receipt of brokerage and research services from executing broker-dealers, although it may consider the receipt of research from a broker when choosing a broker for execution. Greenline may from time to time pay commissions to a broker-dealer for executing Client transactions in excess of that which another broker-dealer might have charged for effecting the transactions. Such commissions are consistent with Greenline's obligation to obtain best execution – i.e., because lowest cost isn't always best. Greenline also may receive from such broker-dealers brokerage and research services provided by the broker-dealer, accept invitations to educational events and, from time to time, seek helpful industry commentary on

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topics such as regulatory developments, new instruments availability, etc. To the extent that the receipt of any ongoing such brokerage or research services by Greenline may be deemed a soft dollar arrangement, the arrangement will fall within the safe harbor provided by Section 28(e) of the Securities Exchange Act of 1934. The research services provided by broker-dealers generally include internally generated research reports, which cover topics on the economy, industries, groups of securities, individual companies, statistical information, accounting and tax law interpretations, political developments, legal developments affecting portfolio securities, technical market action, pricing, credit analysis, risk measurement analysis, performance analysis, and analysis of corporate responsibility issues. Such research services are received primarily in the form of written reports, but may also include telephone contacts. In addition, such research services may be provided in the form of access to various computer generated data.

Brokerage and research services provided by broker/dealers generally benefit all Greenline Clients. In certain circumstances, Greenline may execute transactions for only some Clients through broker/dealers who provide brokerage or research services and the brokerage or research services may be used for the benefit of one or more other Clients.

At least annually, Greenline considers the amount and nature of research and brokerage services provided by broker/dealers, as well as the extent to which such services are relied upon. Broker/dealers sometimes suggest a level of business they would like to receive in return for the various products and services they provide. Actual brokerage business received by any broker-dealer may be less than the suggested allocation, but can (and often does) exceed the suggested level, because total brokerage is allocated on the basis of best overall value for Clients, including all of the considerations described above. A broker/dealer is not automatically excluded from receiving business if it has not been identified as a research or brokerage services provider.

### Directed Brokerage

Greenline does not generally accept directed brokerage arrangements (when a client requires that account transactions be effected through a specific broker-dealer). In such client directed arrangements, the client will negotiate terms and arrangements for their account with that broker-dealer, and Greenline will not seek better execution services or prices from other broker-dealers or be able to “batch” the client’s transactions for execution through other broker-dealers with orders for other accounts managed by Greenline. As a result, client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case.

In the event that the client directs Greenline to effect securities transactions for the client’s accounts through a specific broker-dealer, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to effect account transactions through alternative clearing arrangements that may be available through Greenline.

### Block Trading Procedures

Greenline seeks to execute trades in a way that minimizes transaction and booking costs and that seeks to achieve fair treatment for all accounts when allocating individual executions. Greenline often executes orders in blocks (i.e., trades for multiple accounts grouped into single orders) to achieve execution efficiency and cost efficiency, and to minimize volatility in prices across accounts. When Greenline encounters investment opportunities that are appropriate for more than one Client or fund, or when an aggregated order is only partially filled, Greenline will allocate the investment opportunity or a partially filled order on a fair and equitable basis, which will generally involve proportionally allocating fills. Greenline periodically evaluates this process to ensure the goal of fairness to all Clients.

### Agency or Cross Transactions

Greenline does not generally enter into cross trades and does not anticipate doing so. If a situation develops that might involve a cross trade and Greenline believes such trade would be in the best interests of the affected Clients,

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Greenline would make such trades in compliance with applicable law, including full disclosure to the Clients involved.

### Principal Transactions

Greenline does not place a transaction as principal for our own account or any other party or purchase or sell security from or to any advisory account.

### Error policy

Greenline's processes identify two types of errors. The first type of error is the breach of a Client's imposed investment limitations. In the event of such error, Greenline will resolve the matter in accordance with the terms of the Investment Management Agreement.

The second type of error is a trade execution error, where, for example, if Greenline sold a security that Greenline intended to purchase. When a trade execution error results in a loss to a Client's portfolio, Greenline will notify the Client and/or make adjustments in the account to restore the Client's portfolio to the position it would have been had the execution error not occurred. If an investment gain results from the correcting trade, the gain will remain in the client's account unless the same error involved other client account(s) that should also receive the gains and it is not permissible for all clients to retain the gain. We may also confer with clients to determine if the client should forego the gain (e.g., due to tax reasons). If a third party caused or created the error the third party is responsible for the correction of the error and making the Client's account(s) whole. Greenline will never benefit or profit from our trade errors.

An error will not be deemed to have occurred unless and until a Client's guidelines have been breached or a trade execution error has occurred and a Client's account was financially impacted. Greenline considers variations arising in its portfolio management process that do not violate the Client's guidelines to be part of the normal course of business.

Greenline makes every effort to correct each error as soon as possible upon its discovery. However, because the time required is dependent upon the nature of the error itself, no absolute timetable exists. In most cases, we expect an error to be corrected within one day of its discovery.

Greenline maintains a written record identifying all errors and the ultimate resolution of the errors in accordance with the books and records requirements of Rule 204 (2) of the Advisers Act.

## **Item 13: Review of Accounts.**

### Account Reviews

Greenline's Investment Committee generally holds a formal meeting to review portfolio strategy on a weekly basis but no less than monthly, in which it discusses and determines if changes are necessary to the current strategy which may affect client holdings. Changes may be deemed appropriate based on but not limited to, the economic environment, changes in a securities financial outlook, management or litigation issues. Informal reviews of specific model holdings are done on a daily basis by members of the Investment Committee. A member of the Investment Committee may call a formal meeting more frequently if deemed necessary.

Greenline's Investment Committee reviews accounts on no less than a quarterly basis for the purposes of determining potential portfolio rebalancing decisions and other investment changes that may be appropriate depending on the specific client needs and circumstances. Greenline may conduct account reviews on a greater than periodic basis upon the occurrence of a triggering event, such as a change in client investment objectives and/or financial situation, market corrections and client request.

Reviews are conducted by our partners and /or other investment professionals. All of these individuals have a Part 2B

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Brochure Supplement attached to this ADV Part 2A Brochure. Please see Item 4, above, for the identification of the three partners of our firm.

### Client Reporting

All Clients receive a report, at least quarterly, from Greenline with portfolio and market commentary. Clients are also provided with transaction confirmation notices and regular summary account statements directly from the broker-dealer/custodian for the client accounts.

## **Item 14: Client Referrals and Other Compensation.**

- A. Greenline may receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisors that have their clients maintain accounts at Schwab. These products and services, how they benefit us, and the related conflicts of interest are described above (see Item 12 – Brokerage Practices). The availability to us of Schwab's products and services is not based on us giving particular investment advice, such as buying particular securities for our clients.

Greenline's clients do not pay more for investment transactions effected and/or assets maintained at Schwab (or another broker-dealer/custodian) as a result of this arrangement. There is no corresponding commitment made by Greenline to Charles Schwab & Co., Inc. (or another broker-dealer/custodian) or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangement.

- B. If a client is introduced to Greenline by either an unaffiliated or an affiliated solicitor, Greenline may pay that solicitor a referral fee in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940, and any corresponding state securities law requirements. Any such referral fee shall be paid solely from Greenline's investment management fee, and shall not result in any additional charge to the client. If the client is introduced to Greenline by an unaffiliated solicitor, the solicitor, at the time of the solicitation, shall disclose the nature of his/her/its solicitor relationship, and shall provide each prospective client with a copy of Greenline's written Brochure with a copy of the written disclosure statement from the solicitor to the client disclosing the terms of the solicitation arrangement between Greenline and the solicitor, including the compensation to be received by the solicitor from Greenline.

Greenline has engaged the services of Lincoln Square Advisors of New York, NY solely for the purpose of solicitation of new clients. According to our agreement with Lincoln Square, Greenline will pay to Lincoln Square an amount based on the fees earned or any payments made to Greenline from a new client relationship introduced by Lincoln Square. This relationship with Lincoln Square shall not result in any additional charge to the client. Greenline will disclose the relevant terms of our relationship with Lincoln Square to affected clients according to Rule 206(4)-3 of the Investment Advisers Act of 1940 (the "Advisers Act").

## **Item 15: Custody.**

Under government regulations, we are deemed to have custody of your assets if you authorize us to instruct the account custodian to deduct our advisory fees directly from your account. Your account custodian maintains actual custody of your assets. You will receive account statements directly from the account custodian at least quarterly. They will be sent to the email or postal mailing address you provided to the account custodian. You should carefully review those statements promptly when you receive them.

To the extent that Greenline provides clients with periodic account statements or reports, Clients are urged to compare any statement or report provided by Greenline with the account statements received from the account custodian. The account custodian also does not verify the accuracy of Greenline's advisory fee calculation.

### **Item 16: Investment Discretion.**

Before we can buy or sell securities on your behalf, you must first sign our Investment Management Agreement granting us discretion over your assets under our management.

It is the policy of Greenline to maintain discretionary trading authorization over all asset management accounts we manage. Such authorization will be provided by the client in our standard client agreement for services. By obtaining discretionary authority, Greenline will have the authority to determine (1) the type of securities, (2) the amount of securities that can be bought or sold for the client's portfolio, (3) the broker/dealer to be used, and (3) the commission rates paid without obtaining the client's consent for each transaction.

Clients have the ability to place reasonable restrictions on the types of investments that may be purchased in an account. Clients may also place reasonable limitations on the discretionary power granted to our firm so long as the limitations are specifically set forth or included as an attachment to the Investment Management Agreement.

### **Item 17: Voting Client Securities.**

Unless a client has specifically retained voting authority, it is the policy of Greenline to vote proxies for all accounts we manage in accordance with client instructions, if any, and in a manner in which we believe to be in the best interest of our clients. You may contact your client representative at Greenline if you have specific proxy voting instructions you would like us to follow or would like to obtain information about how we voted your specific securities.

Generally speaking, Greenline's Investment Committee is responsible for determining proxy voting guidelines. Our guidelines are always designed to ensure that all issues are analyzed in light of our fiduciary duty to clients and therefore voting corporate actions in the best interests of our clients. Guidelines are meant to encourage the maximization of return for the client through identifying and avoiding financial, audit and corporate governance risks.

Class Action Policy: From time to time, Greenline receives notices regarding class action lawsuits involving securities that are or were held by Clients. As a matter of policy, unless otherwise contractually obligated, Greenline refrains from serving as the lead plaintiff in class action matters and also refrains from submitting proofs of claim where Greenline believes that either the recovery amounts are likely to be negligible or Greenline cannot be assured of confidential treatment of the data submitted in connection with the proof of claim. As a result, Greenline, in most cases, does not participate in class action lawsuits. If Greenline does participate in a class action lawsuit and later receives any recovery amounts, those amounts will be credited to the participating Clients at the time the recovery amounts are received.

### **Item 18: Financial Information.**

As described above, Greenline bills all fees in arrears.

Greenline is not aware of having any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients.

Greenline has not been subject to a bankruptcy petition at any time.

### **Item 19: Requirements for State Registered Advisers.**

## GREENLINE PARTNERS, LLC

Greenline is not registered as an investment adviser with any state. This Item 19 is therefore not applicable.