

**Item 1 Cover Page**

GL CAPITAL PARTNERS  
400 Fifth Avenue, 6<sup>th</sup> Floor  
Waltham, MA 02451

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**This brochure provides information about the qualifications and business practices of GL Capital Partners. If you have any questions about the contents of this brochure, please contact us at 781-547-4143. 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. Registration as a registered investment advisor does not imply a certain level of skill or training.**

**Additional information about GL Capital Partners also is available on the SEC's website at <http://www.adviserinfo.sec.gov>.**

## **Item 2 Material Changes**

There have been no material changes to the brochure since the last update on May 10, 2012.

### Item 3 Table of Contents

#### Brochure

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#### **Item 4 Advisory Business**

GL Capital Partners is a registered investment advisor firm registered with the Securities Exchange Commission (“SEC”) since December 2011.

The Principal Owner of GL Capital Partners, LLC is Graduate Leverage, LLC, which is owned by Daniel J. Thibeault, its Managing Member.

##### Advisory Services

GL Capital Partners’ (“GLCP” or “Advisor”) principal service is providing fee-based investment advisory services. The Advisor practices custom management of portfolios, on a discretionary basis, according to the client’s objectives. The Advisor’s primary approach is to use a tactical allocation strategy aimed at reducing risk and increasing performance. The Advisor may use any of the following: exchange listed securities, over the counter securities, foreign securities, corporate debt securities, CDs, variable life insurance, variable annuities, municipal securities, mutual funds, United States government securities, options in securities futures contracts on tangibles and intangibles, and interests in partnerships investing in real estate and oil and gas interests to accomplish this objective. The Advisor may recommend, on occasion, redistributing investment allocations to diversify the portfolio in an effort to reduce risk and increase performance. The Advisor may recommend specific stocks to increase sector weighting and/or dividend potential. The Advisor may recommend employing cash positions as a possible hedge against market movement which may adversely affect the portfolio. The Advisor may recommend selling positions for reasons that include, but are not limited to, harvesting capital gains or losses, business or sector risk exposure to a specific security or class of securities, or overvaluation or overweighting of the position(s) in the portfolio.

GLCP will provide investment advisory services and portfolio management services and will not provide securities custodial or other administrative services. At no time will GLCP accept or maintain custody of a client’s funds or securities.

##### Financial Planning

In addition to investment advisory services, GLCP may provide Financial Planning Services to its clients. The Advisor’s Financial Planning Services may include recommendations for portfolio customization based on their client’s investment objectives, goals and financial situation. Financial Planning Services may also include recommendations relating to investment strategies as well as tailored investment advice. GLCP will not charge a separate fee for financial planning services. These services will be included in the asset management fee, described in Item 5 below, the client will pay to GLCP.

Pursuant to California Rule 260.235.2, a conflict exists between the interests of the investment adviser or associated persons and the interest of the client; the client is under no obligation to act upon the investment adviser's or associated person's recommendation; if the client elects to act on any of the recommendations, the client is under no obligation to effect the transaction through the investment adviser, the associated person when the person is an agent with a licensed broker-dealer or through any associate or affiliate of such person.

### Advisory Services to a Mutual Fund

The Advisor also provides investment advisory services to open and closed-end funds ("Funds") registered under the Investment Company Act of 1940, and has overall responsibility for the general management and administration of the Funds, subject to the supervision of the Funds' Board of Trustees.

GL Capital Partners will tailor its advisory services to its client's individual needs based on meetings and conversations with the client. If clients wish to impose certain restrictions on investing in certain securities or types of securities, the Advisor will address those restrictions with the client to have a clear understanding of the client's requirements.

GL Capital Partners does not provide portfolio management services to wrap fee programs.

GL Capital Partners manages client assets and as of December 31, 2012 had \$6,448,973 in discretionary client assets under management.

## **Item 5 Fees and Compensation**

### Asset Management Fees

Pursuant to an investment advisory contract signed by each client, the client will pay GL Capital Partners a quarterly management fee payable in arrears, based on the value of portfolio assets of the account on the last business day of the preceding quarter. The management fee will range from 0.50% up to 2.00% depending on the complexity of the strategy to be implemented and the complexity of the client's financial situation as well as the size of the account or overall client relationship. Investment Advisory fees may be reduced or waived for directors, officers, and employees of GL Capital Partners at the discretion of management. GL Capital Partners may negotiate these fees at its sole discretion. The Custodian will automatically deduct investment Advisory fees from the client account on a quarterly basis.

The client will give written authorization permitting the Advisor to be paid directly from their account held by the custodian. The custodian will send a quarterly statement to the client and the Advisor will also send a quarterly invoice to the client outlining the fee calculation and the amount withdrawn from the client account.

### Advisory Fee to Open and Closed-End Funds

For the services the Advisor provides to the Funds, the Advisor receives an advisory fee based on a percentage of the average daily net assets of each Fund. The advisory fee is calculated and paid monthly in arrears. The Management Fee is performance based with a range of 0 to 2% for Open-End Funds and 2.25% per annum for Closed-End Funds. These fees may be negotiated at the sole discretion of the Advisor.

The Fund is responsible for the payment of all other expenses associated with its operation, including but not limited to, fund accounting, transfer agency, fund administration, brokerage expenses, taxes, interest, fees and expenses of counsel to the Funds, fees and expenses of the Disinterested Trustees (including legal counsel fees), fees and expenses of the Chief Compliance Officer and expenses associated with the Funds' compliance program, litigation expenses, fees

and expenses of the Funds' independent auditors, registration fees, expenses associated with compliance by the Fund with regulatory requirements, including those related to the development and distribution of its prospectus and shareholder reports, and extraordinary expenses.

The Trust may request to terminate their advisory contract with the Advisor, in whole or in part, by providing 60 days advance written notice. Upon termination, any fees that may be paid in advance will be prorated to the date of termination and any excess will be refunded to the Trust. The Trust's advisory agreement with the Advisor is non-transferable without the Trust's written approval.

#### Other

All fees paid to GL Capital Partners for investment advisory services are separate and distinct from the expenses charged by mutual funds to their shareholders and the product sponsor in the case of variable insurance products. These fees and expenses are described in each fund's or variable product's prospectus. These fees will generally include a management fee and other fund expenses.

At no time will GL Capital Partners accept or maintain custody of a client's funds or securities except for authorized fee deduction. Client is responsible for all custodial and securities execution fees charged by the custodian and executing broker-dealer. The Advisors fee is separate and distinct from the custodian and execution fees.

### **Item 6 Performance-Based Fees and Side-by-Side Management**

GL Capital Partners does not charge performance-based fees for individuals.

### **Item 7 Types of Clients**

The Advisor will offer its services to individuals, high net worth, investment companies, pension and profit sharing plans, trusts, estates, or charitable organizations, corporations or business entities.

The Advisor's cumulative minimum account requirement for opening and maintaining an account is \$500,000. However, based on facts and circumstances, the Advisor may, at its sole discretion, accept accounts with a lower value.

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

The Advisor may utilize fundamental or cyclical analysis techniques in formulating investment advice or managing assets for clients.

Fundamental analysis of businesses involves analyzing its financial statements and health, its management and competitive advantages and its competitors and markets. Fundamental analysis is performed on historical and present data but with the goal of making financial forecasts. There are several possible objectives; to conduct a company stock valuation and predict its

probable price evolution; to make a projection on its business performance; to evaluate its management and make internal business decisions and to calculate its credit risk.

Cyclical analysis of economic cycles is used to determine how these cycles affect the returns of an investment, an asset class or an individual company's profits. Cyclical risks exist because the broad economy has been shown to move in cycles, from periods of peak performance followed by a downturn, then a trough of low activity. Between the peak and trough of a business or other economic cycle, investments may fall in value to reflect the uncertainty surrounding future returns as compared with the recent past.

The investment strategies the Advisor will implement may include long-term purchases of securities held at least for one year; short-term purchases for securities sold within a year; trading of securities sold within 30 days, short sales, margin transactions, and option writing, including covered options, uncovered options or spreading strategies.

The methods of analysis and investment strategies followed by the Advisor are utilized across all of the Advisors clients, as applicable. One method of analysis or investment strategy is not more significant than the other as the Advisor is considering the client's portfolio, risk tolerance, time horizon and individual goals. However, the client should be aware that with any trading that occurs in the client account, the client will incur transaction and administrative costs.

Investing includes the risk that the value of an investment can be negatively affected by factors specifically related to the investment (e.g., capability of management, competition, new inventions by other companies, lawsuits against the company, labor issues, patent expiration, etc.), or to factors related to investing and the markets in general (e.g., the economy, wars, civil unrest or terrorism around the world, concern about oil prices or unemployment, etc.). Clients need to be aware that investing in securities involves risk of loss of some or all of their investment that clients need to be prepared to bear.

Risks of fundamental analysis may include risks that market actions, natural disasters, government actions, world political events or other events not directly related to the price or valuation of a specific company's fundamental analysis can adversely impact the stock price of a company causing a portfolio containing that security to lose value. Risks may also include that the historical data and projections on which the fundamental analysis is performed may not continue to be relevant to the operations of a company going forward, or that management changes or the business direction of management of the company may not permit the company to continue to produce metrics that are consistent with the prior company data utilized in the fundamental analysis, which may negatively affect the Advisor's estimate of the valuation of the company.

The Advisor does not primarily recommend a particular type of security. However, clients are advised that many unexpected broad environmental factors can negatively impact the value of portfolio securities causing the loss of some or all of the investment, including changes in interest rates, political events, natural disasters, and acts of war or terrorism. Further, factors relevant to specific securities may have negative affects on their value, such as competition or government regulation. Also, the factors for which the company was selected for inclusion in a

client portfolio may change, for example, due to changes in management, new product introductions, or lawsuits.

### **Item 9 Disciplinary Information**

Neither GL Capital Partners nor its management persons have had any legal or disciplinary events, currently or in the past.

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

Neither GL Capital Partners nor any of its management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

Neither GL Capital Partners nor any of its management persons are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

GL Capital Partners does not currently have any relationships or arrangements that are material to its advisory business or clients with either a broker-dealer, municipal securities dealer, or government securities dealer or broker, investment company or other pooled investment vehicle (including a mutual fund, unit investment trust, private investment company or “hedge fund” and offshore fund) except as noted below, or financial planner, futures commission merchant, commodity pool operator, or commodity trading advisor, banking or thrift institution, accountant or accounting firm, lawyer or law firm, insurance company or agency, pension consultant, real estate broker or dealer or sponsor of syndicator of limited partnerships.

GL Capital Partners is under common ownership with GL Insurance Services, LLC, an insurance brokerage, and GL Investment Services, LLC, an SEC registered investment advisory firm. Clients of GL Capital Partners may also be clients of GL Insurance Services, LLC and GL Investment Services, LLC. Although clients are charged separate fees by each entity, and the entities do not share their fees with the related companies, a conflict of interest exists due to the receipt of the separate fees by the common owner. Disclosure of the relationships and the fees will be provided to all clients who use the services of more than one of the related companies. GL Capital Partners will not charge advisory fees on investments provided by the related companies.

The Advisor is the investment advisor to the GL Beyond Income Fund, a closed-end investment company, and the GL Macro Performance Fund, an open end investment company, both formed as a Delaware trust. Daniel Thibeault, Managing Member of Graduate Leverage, LLC, also serves as an interested Trustee of GL Beyond Income Fund. Neither the Advisor nor Mr. Thibeault receives any additional fees, other than described in Item 5, from GL Beyond Income Fund for Mr. Thibeault’s service to the Trust. The investment advisory fees paid by the Trust to the Advisor are reviewed and approved annually by the disinterested Trustees of the Trust.

GL Capital Partners does not recommend or select other investment advisers for clients.



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

GL Capital Partners is registered with the SEC and maintains a Code of Ethics pursuant to SEC rule 204A-1. GL Capital Partners has adopted a Code of Ethics that sets forth the basic policies of ethical conduct for all managers, officers, and employees of the adviser. In addition, the Code of Ethics governs personal trading by each employee of GL Capital Partners deemed to be an Access Person and is intended to ensure that securities transactions effected by Access Persons of GL Capital Partners are conducted in a manner that avoids any conflict of interest between such persons and clients of the adviser or its affiliates. GL Capital Partners collects and maintains records of securities holdings and securities transactions effected by Access Persons. These records are reviewed to identify and resolve conflicts of interest. GL Capital Partners will provide a copy of the Code of Ethics to any client or prospective client upon request.

GL Capital Partners and/or its investment advisory representatives may from time to time purchase or sell products that they may recommend to clients. GL Capital Partners and/or its investment advisory representatives have a fiduciary duty to put the interests of their clients ahead of their own.

GL Capital Partners requires that its investment advisory representatives follow its basic policies and ethical standards as set forth in its Code of Ethics.

## **Item 12 Brokerage Practices**

If requested by the client, GL Capital Partners may suggest brokers or dealers to be used based on execution and custodial services offered, cost, quality of service and industry reputation. GL Capital Partners will consider factors such as commission price, speed and quality of execution, client management tools, and convenience of access for both the Advisor and client in making its suggestion.

GL Capital Partners may receive proprietary research services or other products as a result of recommending a particular broker which may result in the client paying higher commissions than those obtainable through other brokers. If GL Capital Partners does receive such products or services, it will follow procedures which ensure compliance with Section 28(e) of the Securities Exchange Act of 1934 or applicable state securities rules.

The firm seeks to obtain the most favorable net results for clients' price, execution quality, services and commissions. Although the firm seeks competitive commission rates, it may pay commissions on behalf of clients which may be higher than those available from other brokers in order to receive other services. The firm may enter into such transactions so long as it determines in good faith that the amount of commission paid was reasonable in relation to the value of the brokerage and research services provided by the broker. The services that may be considered in this determination of reasonableness may include (1) advice, either directly or through publications or writing, as to the value of securities, the advisability of investing in, purchasing or selling securities, and the availability of securities or purchasers or sellers of

securities; (2) analysis and reports concerning issuers, industries, securities, economic factors and trends, portfolio strategy, and the performance of accounts; or (3) effecting securities transactions and performing functions incidental thereto. Such research furnished by broker-dealers may be used to service any or all of GL Capital Partners' clients and may be used in connection with accounts other than those that pay commissions to the broker-dealers providing the research. In particular, third-party research provided by broker-dealers may be used to benefit all of the firm's clients. This creates a conflict of interest in that the firm has an incentive to select or recommend a broker-dealer based on its interest in receiving the research or other products or services, rather than on the clients' interest in receiving most favorable execution.

Trading commissions may be used as soft dollars provided that:

- The service is primarily for the benefit of GL Capital Partners' clients
- The commission rates are competitive with rates charged by comparable broker-dealers; and
- GL Capital Partners does not guarantee a minimum amount of commissions to any broker-dealer.

GL Capital Partners does not receive client referrals from any broker-dealer or third party as a result of the firm selecting or recommending that broker-dealer to clients.

GL Capital Partners recommends that all clients use a particular broker-dealer for execution and/or custodial services. The broker-dealer is recommended based on criteria such as, but not limited to, reasonableness of commissions charged to the client, tools and services made available to the client and the Advisor, and convenience of access to the account trading and reporting. The client will provide authority to GL Capital Partners to direct all transactions through that broker-dealer in the investment advisory agreement.

As an investment advisory firm, GL Capital Partners has a fiduciary duty to seek best execution for client transactions. While best execution is difficult to define and challenging to measure, there is some consensus that it does not solely mean the achievement of the best price on a given transaction. Rather, it appears to be a collective consideration of factors concerning the trade in question. Such factors include the security being traded, the price of the trade, the speed of the execution, apparent conditions in the market, and the specific needs of the client. GL Capital Partners' primary objectives when placing orders for the purchase and sale of securities for client accounts is to obtain the most favorable net results taking into account such factors as 1) price, 2) size of order, 3) difficulty of execution, 4) confidentiality and 5) skill required of the broker. GL Capital Partners may not necessarily pay the lowest commission or commission equivalent as specific transactions may involve specialized services on the part of the broker.

GL Capital Partners will allow clients to direct brokerage at the firm's sole discretion. Clients should be aware that if they direct GL Capital Partners to a particular broker-dealer for execution GL Capital Partners may be unable to achieve most favorable execution of client transactions. Directing brokerage may cost clients more money than if GL Capital Partners were to execute transactions at the broker-dealer where it has an established relationship. The client may pay higher brokerage commissions because GL Capital Partners may not be able to aggregate orders to reduce transaction costs or the client may receive less favorable prices.

GL Capital Partners may combine orders into block trades when more than one account is participating in the trade. This blocking or bunching technique must be equitable and potentially advantageous for each such account (e.g. for the purposes of reducing brokerage commissions or obtaining a more favorable execution price). Block trading is performed when it is consistent with the duty to seek best execution and is consistent with the terms of GL Capital Partners' investment advisory agreements. Equity trades are blocked based upon fairness to client, both in the participation of their account, and in the allocation of orders for the accounts of more than one client. Allocations of all orders are performed in a timely and efficient manner. All managed accounts participating in a block execution receive the same execution price (average share price) for the securities purchased or sold in a trading day. Any portion of an order that remains unfilled at the end of a given day will be rewritten on the following day as a new order with a new daily average price to be determined at the end of the following day. Due to the low liquidity of certain securities, broker availability may be limited. Open orders are worked until they are completely filled, which may span the course of several days. If an order is filled in its entirety, securities purchased in the aggregated transaction will be allocated among the accounts participating in the trade in accordance with the allocation statement. If an order is partially filled, the securities will be allocated pro rata based on the allocation statement. GL Capital Partners may allocate trades in a different manner than indicated on the allocation statement (non-pro rata) only if all managed accounts receive fair and equitable treatment.

### **Item 13 Review of Accounts**

Investment advisory client accounts are monitored on an ongoing basis. Client accounts are reviewed by management. The nature of the review is to determine if the client account is still in line with the client's stated objectives.

The client is encouraged to notify the Advisor and Investment Advisor Representative if changes occur in his/her personal financial situation that might adversely affect his/her investment plan.

The client will receive written statements no less than quarterly from the custodian. In addition, the client will receive other supporting reports from mutual funds, asset managers, trust companies or other custodians, insurance companies, broker-dealers and others who are involved with client accounts. GL Capital Partners does not provide regular reports to clients.

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

GL Capital Partners is not compensated by anyone for providing investment advice or other advisory services except as previously disclosed in this Brochure.

GL Capital Partners does not directly or indirectly compensate any person who is not a supervised person for client referrals.

### **Item 15 Custody**

GL Capital Partners does not have custody of client funds or securities except where the Advisor's fees are deducted directly from client accounts. In those circumstances, GL Capital Partners will have clients authorize such fee deduction in writing, have the custodian provide statements at least quarterly showing all disbursements, including the amount of the advisory fee, and will send an invoice to clients when the fee is deducted showing the calculation of the fee.

### **Item 16 Investment Discretion**

GL Capital Partners generally has discretion over the selection and amount of securities to be bought or sold in client accounts without obtaining prior consent or approval from the client for each transaction. However, these purchases or sales may be subject to specified investment objectives, guidelines, or limitations previously set forth by the client and agreed to by GL Capital Partners.

Discretionary authority will only be provided upon full disclosure to the client. The granting of such authority will be evidenced by the client's execution of an Investment Advisory Agreement containing all applicable limitations to such authority. All discretionary trades made by GL Capital Partners will be in accordance with each client's investment objectives and goals.

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

GL Capital Partners has adopted and implemented written Proxy Voting Policies and Procedures ("Proxy Voting Procedures") which are designed to reasonably ensure that GL Capital Partners votes proxies in the best interest of its clients where the adviser has voting authority.

The Proxy Voting Procedures describe how GL Capital Partners addresses voting authority, material conflicts of interest, voting decisions, notification to the client, and books and records requirements, and ensures that proxies are voting in the best interest of its clients.

GL Capital Partners acknowledges and agrees that it has a fiduciary obligation to its clients to ensure that any proxies for which it has voting authority are voted solely in the best interests and for the exclusive benefit of its clients. The Proxy Voting Procedures are intended to guide the Advisor and its personnel in ensuring that proxies are voted in such manner without limiting the Advisor or its personnel in specific situations to vote in a predetermined manner. These policies are designed to assist the Advisor in identifying and resolving any conflicts of interest it may have in voting client proxies.

### **Item 18 Financial Information**

GL Capital Partners does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, and is not required to file a balance sheet.

GL Capital Partners has discretionary authority over client accounts and is not aware of any financial condition that will likely impair its ability to meet contractual commitments to clients. If GL Capital Partners does become aware of any such financial condition, this brochure will be updated and clients will be notified.

GL Capital Partners has never been the subject of a bankruptcy petition.