

**Green Square Boston, LLC  
d/b/a  
Green Square Capital Advisors, LLC**

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**October 2019**

This brochure ("Brochure") provides information about the qualifications and business practices of Green Square Boston, LLC (hereinafter "Green Square", "GSCA" or the "firm"). To request a copy of our Brochure or if you have any additional questions about the contents of this Brochure, please contact Green Square at (901) 250-6700. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority. Additional information about Green Square is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's website also provides information about any of our affiliated persons who are registered, or are required to be registered, as investment adviser representatives of Adviser.

Green Square is an SEC registered investment adviser. Registration does not imply any level of skill or training.

## **Item 2. Material Changes**

In our opinion, material changes in this version of the brochure include the following:

Green Square Boston, LLC merged with Principal Street Partners, LLC (formerly Green Square Asset Management, LLC) on October 15th, 2019. Pending final legal and organizational documents/filings Green Square Boston will be withdrawn as a Registered Investment Advisor with an ADV- W. Please see Principal Street Partners' ADV for additional information about the merge.

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## **Item 4. Advisory Business**

Green Square initially registered with the SEC on or about 9/30/2016. Green Square is a Delaware LLC, shares of which are owned by Green Square Asset Management (GSAM) and Timothy Pynchon. As of September 30, 2019, Green Square manages approximately \$501,259,977 in discretionary regulatory assets.

Green Square Boston offers Clients investment management services (“*services*”). Prior to engaging Green Square to provide any of the Services, the client is required to enter into one or more written agreements with Green Square setting forth the terms and conditions under which Green Square renders its services (collectively the “*Agreement*”).

This Brochure describes the business of Green Square. Certain sections will also describe the activities of *Supervised Persons*. *Supervised Persons* are any of Green Square’s officers, partners, directors (or other persons occupying a similar status or performing similar functions), or employees, or any other person who provides investment advice on Green Square’s behalf and is subject to Green Square’s supervision or control.

### **Timeline:**

Green Square Boston was previously affiliated with Green Square Capital – Memphis and is currently affiliated with Green Square Asset Management and Green Square Wealth Management. Each entity is a separate LLC and RIA because they have different ownership and capital structures.

Green Square Capital-Memphis was co-founded in 2001 by Darrell Horn and performed wealth management services for High Net Worth Individuals, corporations, foundations, institutions, and other entities. On January 31, 2019, Darrell Horn resigned from Green Square Capital – Memphis and assigned his interests to Green Square Wealth Management thus ending the affiliation with Green Square Capital – Memphis and beginning the affiliation with Green Square Wealth Management, LLC as a result of common ownership/control.

In 2016, Green Square Capital-Memphis formed Green Square Asset Management (“GSAM”) in order to create an entity that focused on asset management through specific strategies that could be offered to a broader market. GSAM’s initial strategy was the Green Square Equity Income Portfolio, which is offered as an SMA. In October of 2016, GSAM partnered with high yield municipal portfolio manager, Timothy Pynchon and created Green Square Boston dba Green Square Capital Advisors. GSAM owns 25% of Green Square Boston and the remaining 75% is owned by Timothy Pynchon.

In September, 2017, GSAM became the Advisor to an open end mutual fund registered under the Investment Company Act of 1940. Additional information on the Green Square Tax Exempt High-Income Fund (GSTAX) can be found in its offering documents found at [www.greensquarefunds.com](http://www.greensquarefunds.com). Timothy Pynchon and Joseph Gulli act as the Portfolio Managers on the GSTAX Fund and receive compensation. In instances where GSAM or Green

Square Wealth Management clients invest in strategies managed by Green Square-Boston a potential conflict of interest is created in that GSAM may encourage clients to invest in strategies in which GSAM has an interest. In an effort to mitigate this conflict GSAM clients may only invest in GSTAX or other Green Square Boston strategies after providing consent and being offered alternative investment options in similar strategies. Clients will be charged additional fees and expenses by the Boston strategies, however, GSAM will not receive any fee income generated by GSAM clients investing in strategies managed or sub-advised by Green Square Boston. Green Square Boston has modified its compliance manual and compliance program to address the specific rules and regulations of the Investment Company Act of 1940.

On October 15<sup>th</sup>, 2019 Green Square Boston, LLC merged with Principal Street Partners, LLC (formerly Green Square Asset Management, LLC). Pending final legal and organizational documents/filings Green Square Boston will be withdrawn as a Registered Investment Advisor with an ADV- W. Please see Principal Street Partners' ADV for additional information about the merge.

### **Investment Management Services**

Green Square Boston manages clients' investment portfolios on a discretionary or non-discretionary basis. The firm provides these portfolio management services primarily allocating clients' investment assets among tax-exempt securities with a focus on securities that are rated below investment grade, including unrated securities.

Green Square's approach to management emphasizes current income. High-yield municipal bonds constitute a majority of a client's Green Square portfolio. The high-yield bond strategy (the "bond strategy") is available with both a short-term bond mandate as well as a long-term bond mandate. The balance of a client's portfolio generally will be invested in government instruments, money market funds, and cash or cash instruments.

Green Square serves as a portfolio manager and sub-adviser for several clients. Green has does not maintain separate investment management agreements with clients in which it has a sub-advisory agreement in place. In these cases, Green Square is relying on the advisers' assessment to determine whether Green Square's investment strategy is suitable and appropriate for such clients.

### **Management of Collective Investment Vehicle and Services of Affiliates**

Prior to founding Green Square Boston and while employed by Oppenheimer, Timothy Pyncheon managed the Advantage Advisors Tax Exempt High Income Fund I & II, LLC ("The Advantage Funds"), which are private funds advised by Advantage Advisors Management, LLC. GSAM became the Sub-advisor to the Advantage Funds in October of 2016 and Green Square Boston personnel manages the portfolios. The Advantage Funds invest in high yield tax-exempt securities. The Advantage Funds and other Private Funds listed below are only available to accredited investors as defined by Regulation D of the Securities Act of 1933. In addition, for Fund II, each investor must meet the definition of "qualified purchaser" as set forth in Section 2(a)(51)(A) of the Investment Company Act. There are no GSAM clients

invested in the Advantage Funds

Green Square Boston's affiliate, Green Square Wealth Management ("Green Square Memphis"), serves as the investment manager to Green Square Private Investment Partners, LLC, a Series LLC and pooled investment vehicle ("*GSSIP*"). Currently, the Green Square Private Investment Partners, LLC has Series A, B, C, E, F, G, J, K, M, O, P, Q, R, S, T, U, V, W and X. Green Square Memphis' investment management services consist of selecting investments and providing portfolio management services for *GSSIP*. *GSSIP* is a Series LLC created for the purpose of pooling Client's investment capital into a pass-through entity allowing it to access managers or investments with high minimums. Green Square Memphis does not charge additional advisory fees to clients investing through *GSSIP*, but fees related to administration and third-party audit are passed through to the client.

Although unlikely, to the extent certain of Green Square's individual advisory clients qualify, they are eligible to participate as limited partners of the *Advantage Funds* or investors in *GSSIP* (collectively, the "*Private Funds*"). Green Square clients may be charged an additional management fee for assets invested in the Private Funds (if applicable), which are disclosed in the offering documents provided to such clients prior to investing. Additionally, expenses related to ongoing operation and administration of the Private Funds are passed through to clients.

Investment in the *Private Funds* involves a significant degree of risk. All relevant information, terms and conditions relative to the *Private Funds*, including the compensation received by Green Square or any affiliate as the general partner and/or investment manager, suitability, risk factors, and potential conflicts of interest, are set forth in each of the *Private Funds*' respective Confidential Private Offering Memorandum (the "*Memorandum*"), Investor Agreement (the "*Investor Agreement*"), and Subscription Agreement (together, the "*Offering Documents*"), which each investor is required to receive and/or execute prior to being accepted as an investor in either of the *Private Funds*.

For purposes of this Brochure, while the *Private Funds* are generally considered to be the clients of Green Square (or its affiliates), the term "clients" may sometimes also refer to the investors in the *Private Funds*.

### **Bridge Loans Program**

Green Square has developed a short-term bridge loan program. This program offers clients the ability to invest in short-term bridge loan projects with the option to later invest in longer-term permanent financing of tax-exempt projects. This program, which is taxable, focuses on short-term bonds for many of the same types of tax-exempt projects in which Green Square already invests. These bridge loan projects can be found in sectors such as manufacturing, industrial, healthcare, transportation, and education. Green Square believes that these projects represent very strong relative and absolute value compared to what is available in the current fixed income universe. Investment in Green Square's Bridge Loan Program involves a significant degree of risks including but not limited to the fact that the bridge loans are below investment grade and/or non-rated bonds.

Green Square believes that the bridge loan product is a natural extension of its current practice, while acknowledging that there are important similarities and differences between bridge loans and permanent financings. Similarities include:

- The financing provided to both types of projects are designed to maximize yield in order to address the related higher risks;
- The type of bridge loan projects in which Green Square is investing are typically the same as the tax-exempt bond projects in which Green Square is investing;
- Both types of financings are below investment grade, including non-rated bonds, and include a high degree of risk;
- The due diligence process that Green Square employs is applied with the same intensity to both the bridge loans and the permanent financing;
- Green Square retains outside counsel to review the loan documents for both the bridge loans and when possible, for the permanent financing;
- The portfolios are managed by the same team;
- The management fee is the same for both types of investments.

However, there are also important differences, including the fact that the bridge loans:

- Pay Green Square a Bondholder Representative Fee, as discussed in Item 5, for the due diligence and continued surveillance of the projects. Green Square does not receive such a fee for the longer-term projects.
- Are taxable and generate taxable income;
- Are, by design, short-term maturities, generally ranging from 1-2 years;
- May be less liquid than the longer-term bonds since there is not an established secondary market;
- Invests, by design, in projects that are generally earlier in the development cycle, and are typically designed to be refunded with permanent funding. In certain cases the projects may pay off the loan notes with cash flows generated by the project;
- Have collateral that may differ from the permanent financing collateral due to the earlier stage of any given project, although Green Square believes that the collateral on the projects completed to date has been sufficient;
- Have covenants that may differ from those of the permanent financing, including the ability to extend or roll the loan note further out due to the earlier stage of any given project.

All Green Square investors have the choice to opt out of the bridge loan program and simply continue with Green Square's primary tax-exempt strategy.

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

Green Square offers its services on a fee basis, which may include fixed fees, as well as fees based upon assets under management and in certain situations performance-based compensation.

### **Investment Management Fees**

Green Square Boston provides investment management services for an annual fee based upon a percentage of assets under management. This fee also applies to sub-advisory services that Green Square provides. Green Square's annual fee is exclusive of, and in addition to brokerage commissions, transaction fees, and other related costs and expenses which are incurred by the client. Green Square Boston does not, however, receive any portion of these commissions, fees, and costs.

Green Square Boston's annual fee is prorated and charged quarterly, either in advance or arrears. The fee valuation is based upon the average account value for the last day of the previous three months or the average daily balance for the previous three months. This average is taken from the billing quarter for accounts billed in arrears and from the previous quarter for accounts billed in advance.

The annual fee varies between 10 and 150 basis points (i.e., 0.10% and 1.50%) depending upon the market value of the assets under management and the type of investment or wealth management services to be rendered.

Additionally, Green Square Boston or its related persons may be paid performance-based compensation, which is compensation based on a share of capital gains or capital appreciation of the assets of a client.

Green Square Boston, in its sole discretion, may negotiate to charge a lesser management fee based upon certain criteria (i.e., anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client, account retention, *pro bono* activities, etc.).

In addition to the fees and expenses mentioned above for the advisory services of Green Square, Green Square reserves the right to charge clients a reasonable fee for certain administrative services performed by Green Square on behalf of the client. Green Square will obtain approval from the client prior to the client incurring any such administrative charges.

Green Square has significant experience in negotiating and structuring municipal offerings for investment by its clients and, in so doing, typically engages with the underwriters to effect changes to the structure of the offering in order to meet Green Square's investment criteria. In some instances, Green Square may include a due diligence fee in the term sheet in order to cover due diligence costs and incentivize the borrower to complete the transaction. Such reimbursements or proceeds are retained by Green Square Boston and are not shared with, or remitted back to, any of Green Square's clients, including those that participate in the relevant transaction. Further, where a project in which Green Square clients have invested is experiencing financial or operational difficulty, Green Square and its principals have provided, and may in the future provide, short term loans to these projects. In some instances, these loans may be senior or be subject to priority repayment relative to securities



held on behalf of clients. In providing loans, Green Square and its principals will only receive customary interest and principal payments. Additionally, Green Square and its principals have recapitalized equity in a project and engaged and may in the future recapitalize equity in a project or engage, in some other form of restructuring that requires co-investment.

In connection with certain bond investments made by Green Square on behalf of its advisory clients, Green Square is the Bondholder Representative which includes monitoring borrowers on an ongoing basis and advising borrowers in the event that borrowers run into financial difficulties. In such cases, Green Square generally has special rights including, but not limited to, the ability to change the bond interest rate, reduce its redemption price, create an equal or priority lien or deprive any owner of a bond of the lien created by the trust indenture. Green Square does not receive any additional fees or compensation from clients for acting as a Bondholder Representative. In the event of a workout, select issue closings, or for select variable rate bonds, Green Square receives the Bondholder Representative fee from the borrower at the closing of a realization or issue, or on the Interest Payment Date for the fees paid by borrower under the terms of select variable rate bonds.

Green Square maintains policies and procedures regarding the valuation of securities and investments held in clients' accounts. In the case of a security with no readily available market quotation, such security or investment will be valued in a manner determined in good faith by Green Square to reflect its fair market value. Green Square generally uses bid-pricing provided by Interactive Data Corporation ("IDC") and updates valuations at month-end and prior to cross-trades. Where IDC pricing is not yet available, Green Square may hold at cost while requesting IDC pricing. Due to the unique nature and infrequent trading of many of the high-yield municipal bonds, any pricing process is inherently uncertain, and values may differ from that shown on custodial statements where the custodian uses a different pricing provider.

### **Fees Charged by Financial Institutions**

As further discussed in response to Item 12 (below), Green Square Boston generally recommends that clients utilize the brokerage and clearing services of Charles Schwab & Co., Inc. ("*Schwab*") and/or Fidelity Institutional Wealth Services ("*Fidelity*") for investment management accounts. Green Square Boston may also recommend clients use Oppenheimer Asset Management or TD Ameritrade for certain separately managed accounts.

Green Square Boston may only implement its investment management recommendations after the client has arranged for and furnished Green Square with all information and authorization regarding accounts with appropriate financial institutions. Financial institutions include, but are not limited to, *Schwab*, *Fidelity*, any other broker-dealer recommended by Green Square Boston, broker-dealer directed by the client, trust companies, banks etc. (collectively referred to herein as the "*Financial Institutions*").

Clients may incur certain charges imposed by the *Financial Institutions*, custodial fees, charges imposed directly by a mutual fund or ETF in the account, which are disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and

other fees and taxes on brokerage accounts and securities transactions. Additionally, for assets outside of any wrap fee programs, clients may incur brokerage commissions and transaction fees. Such charges, fees and commissions are exclusive of and in addition to Green Square's fee.

### **Fee Debit**

Green Square Boston's *Agreement* and the separate agreement with any *Financial Institutions* may authorize Green Square to debit the client's account for the amount of Green Square's fee and to directly remit that management fee to Green Square as appropriate. Any Financial Institutions recommended by Green Square have agreed to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to Green Square. Alternatively, clients may elect to have Green Square send an invoice for payment.

### **Fees for Management During Partial Periods of Service**

For the initial period of investment management services, the fees are calculated on a *pro rata* basis.

The *Agreement* between Green Square and the client will continue in effect until terminated by either party pursuant to the terms of the *Agreement*. Green Square's fees are prorated through the date of termination and any remaining balance is charged or refunded to the client, as appropriate.

Clients may make additions to and withdrawals from their account at any time, subject to Green Square's right to terminate an account. Additions may be in cash or securities provided that Green Square reserves the right to liquidate any transferred securities or decline to accept particular securities into a client's account. Clients may withdraw account assets on notice to Green Square, subject to the usual and customary securities settlement procedures. However, Green Square designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives. Green Square may consult with its clients about the options and ramifications of transferring securities. However, clients are advised that when transferred securities are liquidated, they are subject to transaction fees, fees assessed at the mutual fund level (i.e. contingent deferred sales charge) and/or tax ramifications.

For accounts where management fees are based on average daily portfolio value, if assets are deposited into or withdrawn from an account after the inception of a quarter, the fee payable with respect to such assets is adjusted accordingly. For accounts where management fees are based on average month-end values, if assets are deposited into or withdrawn from an account after the inception of a month, the fee payable with respect to such assets is not adjusted or prorated to account for the days remaining in the billing period.

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

## **Management**

Green Square may be paid performance-based compensation, which is compensation that is based on a share of capital gains on or capital appreciation of the assets of a client. The performance-based fees are subject to certain preferred return hurdles. These performance-based fees will be negotiated on a case-by-case basis, and will be disclosed to the client in the fee schedule agreed to by the client and Green Square. The client should be aware that the existence of a performance-based fee structure may create a conflict of interest in that Green Square may have an incentive to take a greater degree of risk in order to generate a greater investment return thereby increasing any such performance based fees.

Additionally, when Green Square and its investment personnel manage more than one client account a potential exists for one client account to be favored over another client account. Green Square and its investment personnel have a greater incentive to favor client accounts that pay Green Square performance-based compensation or higher fees. However, Green Square has adopted and implemented policies and procedures intended to address conflicts of interest relating to the management of multiple accounts, including accounts with multiple fee arrangements, and the allocation of investment opportunities. Green Square reviews investment decisions periodically to assess whether accounts with substantially similar investment objectives are treated equitably. The performance of similarly managed accounts is also compared periodically to determine whether there are any unexplained significant discrepancies. In addition, Green Square's procedures relating to the allocation of investment opportunities require that similarly managed accounts participate generally in investment opportunities pro rata based on asset size and require that, to the extent orders are aggregated, the client orders are price-averaged. These areas are monitored by the Green Square.

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

Green Square provides its services to individuals, banks, thrift institutions, pension and profit sharing plans, trusts, estates, charitable organizations, corporations, business entities, registered investment companies, mutual fund companies and pooled investment vehicles such as Private Funds and Funds registered under the Investment Company Act.

### **Minimum Account Size**

Green Square does not impose a mandatory minimum portfolio size, however depending on the strategy accounts may be required to meet a minimum size in order to properly allocate to individual underlying investments. The stated, minimum for the Advantage Funds is \$100,000.

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

## **Methods of Analysis and Investment Strategies**

Green Square utilizes statistical analysis and proprietary investment management tools in order to select High Yield Securities for its client's portfolios. Green Square will seek to maximize the client's portfolio total return through capital appreciation and current yield from investments primarily in municipal, tax-exempt securities with a focus on securities that are rated below investment grade, including unrated securities.

The municipal and taxable bonds and other debt-related securities that Green Square analyzes and in which it invests clients' assets are usually non-rated, high-yield securities. Sometimes the size of a bond issue is too small to afford the cost of being rated by a rating agency. The price of a non-rated bond is generally based upon the current market conditions for a security of similar size, rating and denomination that have similar purposes. These market valuations are influenced significantly by the fact that the securities are infrequently traded, non-rated, in large denominations, and other factors.

Green Square believes that it may be advantageous to purchase the entire issue of a non-rated bond. Green Square generally structures the terms of such purchases with legal counsel. The ownership of an entire issue also gives Green Square relatively more (but not total) control over the issue and subsequent events concerning the issue because Green Square does not share control with other investors. As is the case with all bonds, there is always the possibility of default with respect to an issue. Controlling a majority of, or the entire class of, debt securities may result in additional challenges in determining the perceived market value of the security. Such challenges may occur due to the unique characteristics of the issuer, lack of trading of the specific security, and/or lack of other market participants willing to purchase the security. Certain securities purchased by Green Square may be substantially illiquid.

Certain debt securities held in a client's portfolio may have greater minimum denomination requirements if held outside Green Square's supervision. Should Green Square face widespread liquidation requests, Green Square will not be able to provide liquidity to all clients, and separately managed account clients may receive their capital on termination in kind (a "liquidation-in-kind") – that is, clients may receive the underlying bonds in which their accounts were invested. These bonds may be illiquid, although Green Square will put forth best efforts to provide clients with sufficient quantity of bonds to redenominate the bonds if required by the terms of the bond.

Green Square's approach is a top down/bottom up investment process taking into account the following key factors:

- **Investment Universe**

U.S. municipal bonds - Non-diversified nationally across regions and sectors: investing in America's infrastructure –essential services such as healthcare, transportation, education and power/energy.

- **Macro Economics**

Top down economic factors such as interest rates, credit cycles and political trends are assessed. Individual local and state analysis (fiscal policy, political climate, surplus/deficits) are also weighed and combined with industry analysis

- **Relative Value Comparisons**

A unique relative value, risk-managed approach allows for a critical balance of our most compelling ideas against identified risks in constructing an optimal portfolio

- **Fundamental Research**

Detailed and in-depth due diligence is completed on municipal credits – in search of industry leaders, experienced and skilled managements, strong financial resources, balance sheet flexibility and stable to expanding margins

## **Risks of Loss**

### *Risks associated with Certain Instruments*

**Municipal Instruments.** Municipal bonds – sometimes backed by the taxing power of a municipality, sometimes dedicated revenue streams, sometimes by other sources – are subject to government approvals and the political process and are limited in aggregate amount by various provisions of the Internal Revenue Code of 1986, as amended (the “Code”). The maturity dates, call and sinking fund payment and other terms of these securities vary widely, as does the demand for different issues, as well as the creditworthiness and the market’s acceptance of the respective issuers. The Fund may invest in municipal securities with a broad range of maturities.

**Taxable Municipal Instruments.** The Fund may invest, to a lesser extent, in taxable municipal securities. These instruments are issued by municipalities for private purposes, which the federal government has not subsidized with a tax exemption. These projects include pension funding, housing, airport revenue, education, health care, stadiums, second refundings, some leases and a substantial number of government obligations.

**High Yield Securities.** The Fund will invest in below-investment grade fixed income securities (commonly known as “junk bonds”) that are considered speculative. Below-investment grade securities typically offer higher income potential and involve greater risk than higher-rated securities. These securities generally are issued by municipalities that may be in less secure financial condition. Adverse economic conditions may have a greater impact on such issuers. There is a greater likelihood that issuers of below-investment grade securities will be unable to make timely payments of interest and principal.

**Distressed Securities.** The Fund may trade in securities that are, or are about to be, involved in reorganizations, financial restructurings, or subject to bankruptcy proceedings or otherwise in default as to the repayment of principal and/or payment of interest at the time of acquisition by the Fund or are rated in the lowest rating categories by at least one independent rating agency, or if unrated, judged to be of comparable quality by the Sub-Advisor. Generally,

the Fund will invest in distressed securities when the Sub-Advisor believes they offer significant potential for higher returns or can be exchanged for other securities that offer this potential.

**AMT Securities.** The Fund may also trade in securities – primarily “activity bonds” (i.e., bonds issued by municipalities for non-governmental purposes, such as constructing a sports stadium) – the interest on which is exempt from regular federal income tax but subject to the AMT.

**Taxable Debt Instruments.** The Fund may use U.S. Treasury and government agency securities, including mortgage-backed agency securities, interest rate swaps and futures and other taxable debt and debt-related instruments, both for investment and hedging purposes.

**Swaps and Other Derivatives.** The Fund may, but is not required to, use derivatives for a variety of purposes, including: as a hedge against adverse changes in the market price of securities, interest rates or currency exchange rates; as a substitute for purchasing or selling securities; and to increase the Fund’s return as a non-hedging strategy that may be considered speculative. The Fund may choose not to make use of derivatives for a variety of reasons, and any use may be limited by applicable law and regulations. The Fund also may invest in subordinated securities and asset-backed securities, and may hold cash or other short-term investments.

#### *Market Risks*

The profitability of a significant portion of Green Square’s recommendations may depend to a great extent upon correctly assessing the future course of price movements of stocks and bonds. There can be no assurance that Green Square will be able to predict those price movements accurately.

#### *Use of Private Collective Investment Vehicles*

Green Square may recommend the investment by certain clients in privately placed collective investment vehicles (some of which may be typically called “hedge funds”). The managers of these vehicles will have broad discretion in selecting the investments. There are few limitations on the types of securities or other financial instruments which may be traded and no requirement to diversify. The hedge funds may trade on margin or otherwise leverage positions, thereby potentially increasing the risk to the vehicle. In addition, because the vehicles are not registered as investment companies, there is an absence of regulation. There are numerous other risks in investing in these securities. The client will receive a private placement memorandum and/or other documents explaining such risks.

#### *Concentration Risk*

Concentrating investments in a particular country, region, market, industry or asset class means that performance will be more susceptible to loss due to adverse occurrences affecting that country, region, market, industry or asset class.

#### *Management Through Similarly Managed Accounts*

Green Square may manage portfolios by allocating portfolio assets among various securities on a discretionary basis using one or more of its proprietary investment strategies (collectively referred to as “*investment strategy*”). In so doing, Green Square buys, sells, exchanges and/or transfers shares of securities based upon the *investment strategy*.

Green Square’s management using the *investment strategy* complies with the requirements of Rule 3a-4 of the Investment Company Act of 1940, as amended. Rule 3a-4 provides similarly managed accounts, such as the *investment strategy*, with a safe harbor from the definition of an investment company.

The *investment strategy* may involve an above-average portfolio turnover that could negatively impact upon the net after-tax gain experienced by an individual client. Securities in the *investment strategy* are usually exchanged and/or transferred without regard to a client’s individual tax ramifications. Certain investment opportunities that become available to Green Square’s clients may be limited. For example, various mutual funds or insurance companies may limit the ability of Green Square to buy, sell, exchange or transfer securities consistent with its *investment strategy*. As further discussed in response to Item 12 (below), Green Square allocates investment opportunities among its clients on a fair and equitable basis.

#### *Use of Margin*

To the extent that a client authorizes the use of margin, and margin is thereafter employed by Green Square in the management of the client’s investment portfolio, the market value of the client’s account and corresponding fee payable by the client to Green Square will be increased. As a result, in addition to understanding and assuming the additional principal risks associated with the use of margin, clients authorizing margin are advised of the potential conflict of interest whereby the client’s decision to employ margin shall correspondingly increase the management fee payable to Green Square. Accordingly, the decision as to whether to employ margin is left totally to the discretion of client.

While the use of margin borrowing can substantially improve returns, such use may also increase the adverse impact to which a client’s portfolio may be subject. Borrowings will usually be from securities brokers and dealers and will typically be secured by the client’s securities and/or other assets. Under certain circumstances, such a broker-dealer may demand an increase in the collateral that secures the client’s obligations and if the client were unable to provide additional collateral, the broker-dealer could liquidate assets held in the account to satisfy the client’s obligations to the broker-dealer. Liquidation in that manner could have extremely adverse consequences. In addition, the amount of the client’s borrowings and the interest rates on those borrowings, which will fluctuate, will have a significant effect on the client’s profitability.

#### *Cybersecurity Risk*

Green Square, like all companies, may be susceptible to operational and information security risks. Cybersecurity failures or breaches of the Firm, the Fund, or any their service providers

or the issuers of securities in which Green Square does business with have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, the inability to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, and/or additional compliance costs. The Firm as well as the Fund and/or its shareholders could be negatively impacted as a result.

#### *General Risk of Loss*

Investing in securities involves the risk of loss. Clients should be prepared to bear such loss.

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

Green Square is required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of management. Green Square does not have any required disclosures to this Item.

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

Green Square is required to disclose any relationship or arrangement that is material to its advisory business or to its clients with certain related persons.

**Affiliated Investment Advisers** Green Square Boston, LLC or its Supervised Persons share ownership with its affiliated SEC registered investment advisers, Green Square Wealth Management, LLC ("Green Square Memphis") and Green Square Asset Management. Certain of the firm's Principals and Supervised Persons also serve in the same or similar capacity for Green Square Memphis, and Green Square Asset Management. Additionally, Green Square Asset Management's principal place of business is the same as that of Green Square Memphis. A conflict of interest exists to the extent that Green Square recommends the services of one of its affiliated investment advisers and certain of the firm's Principals or Supervised Persons receive additional compensation by virtue of their positions therewith. Green Square addresses this conflict by disclosing it to clients, seeking consent, offering alternatives in similar strategies, and making the recommendations without a bias in regards to fees.

#### **Affiliated Collective Investment Vehicle**

Green Square is under common control with the *Private Funds*. A conflict of interest exists to the extent Green Square recommends an investment in the *Private Funds* and certain of the firm's Principals and/or *Supervised Persons* receive additional compensation by virtue of their positions therewith. Green Square addresses this conflict by disclosing it to clients and making the recommendations without a bias in regards to fees. GSC does not charge its advisory fee for clients invested in the private funds managed by its affiliates.



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

Green Square has adopted a code of ethics that sets forth the standards of conduct expected of its associated persons and requires compliance with applicable securities laws ("Code of Ethics"). In accordance with Section 204A of the Investment Advisers Act of 1940 (the "Advisers Act"), its Code of Ethics contains written policies reasonably designed to prevent the unlawful use of material non-public information by Green Square or any of its associated persons. The Code of Ethics also requires that certain of Green Square's personnel (called "Access Persons") report their personal securities holdings and transactions and obtain pre-approval of certain investments such as initial public offerings and limited offerings.

Green Square and persons associated with Green Square ("Associated Persons") are permitted to buy or sell securities that it also recommends to clients consistent with Green Square's policies and procedures. Such practices present a conflict of interest where, because of the information Green Square has, Green Square or its Associated Persons are in a position to trade in a manner that could adversely affect clients (e.g., place their own trades before or after client trades are executed in order to benefit from any price movements due to the clients' trades). Green Square has adopted policies and procedures, such as pre-clearance of personal trades and disclosure of personal securities transactions and holdings for Associated Persons, in an effort to minimize such conflicts

Unless specifically permitted in Green Square's *Code of Ethics*, none of Green Square's *Access Persons* may effect for themselves or for their immediate family (i.e., spouse, minor children, and adults living in the same household as the *Access Person*) any transactions in a security which is on Green Square's "Restricted List".

When Green Square is purchasing or considering for purchase any security on behalf of a client, no *Access Person* may effect a transaction in that security prior to the completion of the purchase or until a decision has been made not to purchase such security. Similarly, when Green Square is selling or considering the sale of any security on behalf of a client, no *Access Person* may effect a transaction in that security prior to the completion of the sale or until a decision has been made not to sell such security. These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by mutual funds or money market funds unless Green Square or a control affiliate acts as the investment advisor or sub-advisor as defined in section 20(a)(20) of the Investment Company Act of 1940 ; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds.

### **Potential Conflicts of Interest**

In the course of our normal business, Green Square Boston and its affiliates (the “Firm”) may encounter situations where the Firm faces a conflict of interest or could be perceived to be in a conflict of interest situation. A conflict of interest occurs whenever the interests of the Firm or its personnel diverge from those of a client or when the Firm or its personnel have obligations to more than one party whose interests are different. In order to preserve our reputation and comply with applicable legal and regulatory requirements, the Firm believes managing perceived conflicts is as important as managing actual conflicts.

### Allocation of Investment Opportunities

Green Square Boston may have potential conflicts in connection with the allocation of investments or transaction decisions for Client Accounts, including situations in which the Firm may have interests in the investment being allocated and situations in which a Firm account (“Affiliated Client”) may receive certain percentage of the investments being allocated. Green Square seeks to manage all Client Accounts and Affiliate Clients in accordance with each account’s investment objectives and guidelines, and pursuant to the applicable legal and regulatory requirements.

The advice provided by the Firm to a Client Account or an Affiliate Client may compete or conflict with the advice provided to another Client Account or may involve a different timing or course of action taken than with respect to a Client Account. For example, a Client Account may be competing for investment opportunities with the Firm and its Affiliated Clients and with other Client Accounts for certain limited investment opportunities.

### Cross Transactions

The Firm may, from time to time, engage in a cross transaction between two Client Accounts. A cross trade is generally defined as pre-arranged transaction between two or more different funds or accounts, each of which is managed by the same adviser. For example, one account managed by adviser has cash and needs to be invested. Another account managed by the adviser has redemptions that need to be met by selling. In certain circumstances and subject to applicable client and regulatory requirements, the Firm may cross the transaction between the two accounts.

Clients that participate in cross transactions incur a markup or mark-down charged by the broker- dealer from the IDC bid price generally used for valuation. Crosses are executed at fair market value. Generally, brokerage costs are split between participating accounts, except in the following situations: Full Liquidation – the seller bears the full cost of execution; Tax Loss Harvest – the seller bears the full cost of execution; and Raise Cash – the seller bears the full cost of execution whether trade is executed on a discretionary or non-discretionary basis. Green Square does not engage in client cross transactions for accounts subject to ERISA, even where such cross trades may result in reduced transaction costs.

Green Square maintains procedures which require that all cross trades are made at fair market value. In addition, if one of the parties to the cross trade is a registered investment company, such as the Mutual Fund, the transaction must comply with procedures adopted under Rule 17a-7 under the Investment Company Act of 1940.

Clients and prospective clients may contact Green Square to request a copy of its *Code of Ethics*.

## **Item 12. Brokerage Practices**

As discussed above, in Item 5, Green Square generally recommends that clients utilize the brokerage and clearing services of *Schwab, Fidelity, TD Ameritrade and/or Oppenheimer*.

Factors which Green Square considers in recommending *Schwab, Fidelity, TD Ameritrade, Oppenheimer* or any other broker-dealer to clients include their respective financial strength, reputation, execution, pricing, research and service. *Schwab, Fidelity, TD Ameritrade, and/or Oppenheimer* may enable Green Square to obtain many mutual funds without transaction charges and other securities at nominal transaction charges. The commissions and/or transaction fees charged by *Schwab, Fidelity, TD Ameritrade, and/or Oppenheimer* may be higher or lower than those charged by other *Financial Institutions*.

The commissions paid by Green Square's clients comply with Green Square's duty to obtain "best execution." Clients may pay commissions that are higher than another qualified *Financial Institution* might charge to effect the same transaction where Green Square determines that the commissions are reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a *Financial Institution's* services, including, among other things, the value of research provided, execution capability, commission rates, and responsiveness. Green Square seeks competitive rates but may not necessarily obtain the lowest possible commission rates for client transactions. However, Green Square, as a policy, does not compensate a broker-dealer for providing certain brokerage and research services that may be more than would have been paid to another broker-dealer for execution only.

Transactions may be cleared through other *Financial Institutions* with whom Green Square and the *Financial Institutions* have entered into agreements for prime brokerage clearing services. Green Square periodically and systematically reviews its policies and procedures regarding its recommendation of *Financial Institutions* in light of its duty to obtain best execution.

The client may direct Green Square in writing to use a particular Financial Institution to execute some or all transactions for the client. In that case, the client will negotiate terms and arrangements for the account with that Financial Institution, and Green Square will not seek better execution services or prices from other Financial Institutions or be able to "batch" client transactions for execution through other Financial Institutions with orders for other accounts managed by Green Square (as described below). As a result, the 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. Subject to its

duty of best execution, Green Square may decline a client's request to direct brokerage if, in Green Square's sole discretion, such directed brokerage arrangements would result in additional operational difficulties.

Transactions for each client generally will be effected independently, unless Green Square decides to purchase or sell the same securities for several clients at approximately the same time. Green Square may (but is not obligated to) combine or "batch" such orders to obtain best execution, to negotiate more favorable commission rates, or to allocate equitably among Green Square's clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will generally be averaged as to price and allocated among Green Square's clients pro rata to the purchase and sale orders placed for each client on any given day. To the extent that Green Square determines to aggregate client orders for the purchase or sale of securities, including securities in which Green Square's *Supervised Persons* may invest, Green Square generally does so in accordance with applicable rules promulgated under the Advisers Act and no-action guidance provided by the staff of the SEC. Green Square does not receive any additional compensation or remuneration as a result of the aggregation. In the event that Green Square determines that a prorated allocation is not appropriate under the particular circumstances, the allocation will be made based upon other relevant factors, which may include: (i) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account's assets after an order is placed); (iv) with respect to sale allocations, allocations may be given to accounts low in cash; (v) in cases when a pro rata allocation of a potential execution would result in a *de minimis* allocation in one or more accounts, Green Square may exclude the account(s) from the allocation; the transactions may be executed on a pro rata basis among the remaining accounts; or (vi) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis.

### **Software and Support Provided by Financial Institutions**

Green Square may receive from *Financial Institutions*, without cost to Green Square, computer software and related systems support, which allow Green Square to better monitor client accounts maintained at *those Financial Institutions*. Green Square may receive the software and related support without cost because Green Square renders investment management services to clients that maintain assets at *these Financial Institutions*. The software and related systems support may benefit Green Square, but not its clients directly. In fulfilling its duties to its clients, Green Square endeavors at all times to put the interests of its clients first. Clients should be aware, however, that Green Square's receipt of economic benefits from a broker-dealer creates a conflict of interest since these benefits

may influence Green Square's choice of broker-dealer over another broker-dealer that does not furnish similar software, systems support, or services.

Additionally, Green Square may also receive the following benefits from *Schwab* through its Schwab Institutional division and *Fidelity* through its Institutional Wealth Services Group: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk that exclusively services the Schwab Institutional or Institutional Wealth Services Group participants; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and access to an electronic communication network for client order entry and account information. *Schwab and/or Fidelity* may also provide other benefits to Green Square such as attendance at conferences and educational events. *Schwab and/or Fidelity* may discount or waive fees it would otherwise charge Green Square for these services.

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

### **Account Reviews**

For those clients to whom Green Square provides investment management services, Green Square monitors those portfolios as part of an ongoing process while regular account reviews are conducted on at least a quarterly basis. For those clients to whom Green Square provides financial planning and/or consulting services, reviews are conducted on an "as needed" basis. Such reviews are conducted by one of the firm's investment adviser representatives. All investment advisory clients are encouraged to discuss their needs, goals, and objectives with Green Square and to keep Green Square informed of any changes thereto. Green Square contacts ongoing investment advisory clients at least annually to review its previous services and/or recommendations and to discuss the impact resulting from any changes in the client's financial situation and/or investment objectives.

### **Account Statements and General Reports**

Unless otherwise agreed upon, clients are provided with transaction confirmation notices and regular summary account statements directly from the broker-dealer or custodian for the client accounts. Those clients to whom Green Square provides investment advisory services will also receive a report from the firm that may include such relevant account and/or market-related information such as an inventory of account holdings and account performance from time to time. Clients should compare the account statements they receive from their custodian with those they receive from Green Square. The aforementioned reporting excludes portfolios managed by Green Square as a sub-advisor. For those portfolios, the adviser is responsible for providing each client with account statements and any other required regulatory reports.

### **Consulting Reports**

Those clients to whom Green Square provides consulting services will receive reports from Green Square summarizing its analysis and conclusions as requested by the client or otherwise agreed to in writing by Green Square.

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

### **Economic Benefits**

The firm is required to disclose any relationship or arrangement where it receives an economic benefit from a third party (non-client) for providing advisory services. Green Square may receive economic benefits from non-clients for providing advice or other advisory services to clients. This type of relationship poses a conflict of interest and any such relationship is disclosed in response to Item 12, above.

### **Client Referrals**

The firm is required to disclose any direct or indirect compensation that it provides for client referrals.

If a client is introduced to Green Square by either an unaffiliated or an affiliated solicitor, Green Square may pay that solicitor a referral fee in accordance with the requirements of Rule 206(4)-3 of the Advisers Act and any corresponding state securities law requirements. Any such referral fee is paid solely from Green Square's investment management fee, and does not result in any additional charge to the client. If the client is introduced to Green Square by an unaffiliated solicitor, the solicitor provides the client with a copy of Green Square's written disclosure brochure which meets the requirements of Rule 204-3 of the Advisers Act and a copy of the solicitor's disclosure statement containing the terms and conditions of the solicitation arrangement including compensation. Any affiliated solicitor of Green Square discloses the nature of his/her relationship to prospective clients at the time of the solicitation and will provide all prospective clients with a copy of Green Square's written disclosure brochure at the time of the solicitation.

## **Item 15. Custody**

Green Square's *Agreement* and/or the separate agreement with any *Financial Institution* may authorize Green Square through such *Financial Institution* to debit the client's account for the amount of Green Square's fee and to directly remit that management fee to Green Square in accordance with applicable custody rules.

The *Financial Institutions* recommended by Green Square have agreed to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to Green Square. In addition, as discussed in Item 13, Green Square also sends periodic supplemental reports to clients. Clients should carefully review the statements sent directly by the *Financial Institutions* and compare them to those received from Green Square.

As a result of its status as Advisor, Sub-Advisor, General Partner, or Investment Manager of the Private Funds, Green Square and its affiliates have custody of the securities of those Private Funds. However, each fund is subject to an annual audit by a third party, independent PCOAB registered Auditor and audited financial statements are distributed to each client.

## **Item 16. Investment Discretion**

Green Square may be given the authority to exercise discretion on behalf of clients. Green Square is considered to exercise investment discretion over a client's account if it can effect transactions for the client without first having to seek the client's consent. Green Square is given this authority through a power-of-attorney included in the agreement between Green Square and the client. Clients may request a limitation on this authority (such as certain securities not to be bought or sold). Green Square takes discretion over the following activities:

- The securities to be purchased or sold;
- The amount and price of securities to be purchased or sold;
- When transactions are made;
- The *Financial Institutions* to be utilized;
- The commission rates to be paid to a broker or dealer for a client's securities transaction

## **Item 17. Voting Fund Securities**

Green Square may vote client securities (proxies) on behalf of its clients or may use a third party vendor to do so. When Green Square accepts such responsibility, it will only cast proxy votes in a manner consistent with the best interest of its clients. Absent special circumstances, which are fully-described in Green Square's Proxy Voting Policies and Procedures, all proxies will be voted consistent with guidelines established and described in Green Square's Proxy Voting Policies and Procedures, as they may be amended from time-to-time. Clients may contact Green Square to request information about how Green Square voted proxies for that client's securities or to get a copy of Green Square's Proxy Voting Policies and Procedures.

Green Square uses Proxyedge, a product of Broadridge, to vote on behalf of Green Square clients. Green Square has the authority to direct votes, and can override or revoke any vote cast by Proxyedge.

A brief summary of Green Square's Proxy Voting Policies and Procedures is as follows:

- Green Square has formed a Proxy Voting Committee that will be responsible for ensuring voting decisions are made in the best interest of clients, and ensuring that proxies are submitted in a timely manner. In addition, the Proxy Committee is responsible for maintaining Green Square's Proxy Voting Guidelines, as well as notifying Proxyedge when accounts are added at new Brokers, Banks, or Custodians.
- Proxyedge will vote proxies according to Green Square's then current Proxy Voting Guidelines. The Proxy Voting Guidelines include many specific examples of voting decisions for the types of proposals that are most frequently presented, including: composition of the board of directors; approval of independent auditors; management and director

compensation; anti-takeover mechanisms and related issues; changes to capital structure; corporate and social policy issues; and issues involving mutual funds. The Proxy Committee meets regularly to review the votes placed on behalf of Green Square.

- Although the Proxy Voting Guidelines are followed as a general policy, certain issues are considered on a case-by-case basis based on the relevant facts and circumstances. Since corporate governance issues are diverse and continually evolving, Green Square devotes an appropriate amount of time and resources to monitor these changes.
- Clients cannot direct Green Square's vote on a particular solicitation but can revoke Green Square's authority to vote proxies.

In situations where there may be a conflict of interest in the voting of proxies due to business or personal relationships that Green Square maintains with persons having an interest in the outcome of certain votes, Green Square takes appropriate steps to ensure that its proxy voting decisions are made in the best interest of its clients and are not the product of such conflict.

## **Item 18. Financial Information**

Green Square does not require or solicit the prepayment of more than \$1,200 in fees six months or more in advance. In addition, Green Square is required to disclose any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients. Green Square has no disclosures pursuant to this Item.