

**Part 2A of Form ADV: *Firm Brochure***

**GreenWood Resources Capital Management, LLC**

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This brochure provides information about the qualifications and business practices of GreenWood Resources Capital Management, LLC. If you have any questions about the contents of this brochure, please contact us at (971) 533-7065 or [thomasgrenville@gwrglobal.com](mailto:thomasgrenville@gwrglobal.com). 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 with the Securities and Exchange Commission does not imply a certain level of skill or training. Additional information about GreenWood Resources Capital Management, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 Material Changes**

GreenWood Resources Capital Management, LLC Brochure (Part 2A of Form ADV) the “Brochure,” dated March 30, 2020 has been updated to reflect changes to since the Brochure was last updated on March 31, 2019.

The following material change was made in last annual Brochure amendment:

Item 8 was updated to more accurately reflect the evolving nature of GWRCM’s advisory business and current risks.

## Item 3 Table of Contents

Item 2 Material Changes	2
Item 3 Table of Contents Page	3
Item 4 Advisory Business	4
Item 5 Fees and Compensation	5
Item 6 Performance-Based Fees and Side-By-Side Management	6
Item 7 Types of Clients	7
Item 8 Methods of Analysis, Investment Strategies and Risk of Loss	8
Item 9 Disciplinary Information	11
Item 10 Other Financial Industry Activities and Affiliations	11
Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	12
Item 12 Brokerage Practices	13
Item 13 Review of Accounts	13
Item 14 Client Referrals and Other Compensation	13
Item 15 Custody	13
Item 16 Investment Discretion	14
Item 17 Voting Client Securities	14
Item 18 Financial Information	14

## Item 4 Advisory Business

GreenWood Resources Capital Management, LLC (“GWRCM”) was incorporated in 2011 to provide investment advisory services to institutional investors and sophisticated clients that seek to invest in timber and timberland assets in selected regions throughout Australasia, Latin America, Europe and North America. GWRCM’s principal place of business is located in Portland, Oregon.

GWRCM registered with the SEC as an investment adviser in March of 2012. The firm’s registration with the SEC does not imply any particular level of skill or training by our firm or employees or that the SEC has endorsed our respective qualifications to provide investment advisory services.

GWRCM is controlled by its parent company and managing member, GreenWood Resources Inc (“GWR”). GWR is a vertically integrated global timber investment management company. GWR is a majority owned subsidiary of Teachers Insurance and Annuity Association of America (“TIAA”). TIAA acquired majority ownership of GWR in 2012. GWR is part of Nuveen’s Global Real Assets division which focuses on agriculture, infrastructure, timber and energy assets. Mr. Jeffery L. Nuss is the founder, President and Chief Executive Officer of GWR. Since 1998, GWR has focused on becoming a worldwide leader in the in the management of sustainable timberland, which seek to obtain and maintain industry leading environmental certification.

GWRCM provides investment management services solely to single institutional investor managed accounts and private investment funds (hereafter “GWRCM Funds” or “the Funds”). Unlike other types of private funds, such as hedge funds, the Funds receive unfunded capital commitments from investors during one or more initial fundraising stages, after which the Funds are generally closed to new investors. The fund manager will then call on investors to make capital infusions (each a “drawdown”), based on their commitments, to support the Fund’s investments once those investments have been identified and fully vetted through an extensive due diligence and negotiation process. Investments made for the Funds are global non-traditional forestry investment opportunities in, manufacturing, processing facilities, timber and timberland. These investments are illiquid securities and holding periods vary from 8 to 20 years.

GWRCM provides investment supervisory services over Fund investments in timber and timberland located in Europe, North and Latin America. Mr. Nuss and several of the senior investment professionals of GWRCM have more than 20 years of timber plantation development, management and forestry related investment experience. This specialization enables GWRCM to play a decisive role in company management and operations while maintaining perspectives on valuations, financing parameters and exit liquidity potential. GWRCM performs in depth due diligence regarding investment structures, works closely with operating companies to provide strategic operating and financial advice and identifies multiple exit options prior to an initial investment for each Fund it manages.

GWRCM seeks innovative ways to create higher returns from forestry assets while maintaining their desirable diversification benefits. GWRCM assists sophisticated investors in this endeavor by developing investment strategies and creating specialized investment products to implement these strategies. These investment strategies focus on opportunities neglected by other investment managers, at the moment including emerging markets investments, tree-breeding and tree-growing technology, and conservation impact forestry (CIF). GWRCM implements these strategies in collaboration with other organizations that complement its skills.

The Funds rely upon certain exemptions, available to issuers whose securities are not publicly offered, and are not required to register under the Securities Act of 1933 or the Investment Company Act of 1940. GWRCM manages the Funds on a discretionary basis in accordance with the terms and conditions of each Fund's organizational documents. As of December 31, 2019, GWRCM and its partners had \$1,336,000,000 in assets under management. GWRCM's assets under management consist of approximately \$10,000,000 of discretionary assets and \$1,326,000,000 of non-discretionary assets under management.

**IMPORTANT ADDITIONAL CONSIDERATIONS:** The information provided herein merely summarizes the detailed information provided in each Fund's offering and organizational documents. Certain Fund are closed and shall not admit new investors. Current Fund investors and prospective investors in any new Fund launched by GWRCM or its affiliates should be aware of the substantial risks associated with investment as well as the terms applicable to such investment. This and other detailed information is provided in the appropriate Fund offering and organizational documents.

## Item 5 Fees and Compensation

GWRCM and its affiliates and partners receive compensation for services rendered in two forms: investment management fees and performance incentive fees. Clients do not pay other fees for investment advisory services offered by GWRCM, its affiliates, and partners. Fee schedules are negotiated with clients and each contract is different. Annual investment management fees are based either on (a) assets under management, (b) committed capital, or (c) invested capital. Performance incentive fees are paid to GWRCM and its affiliates only if investment fund performance (as measured by invested and distributed capital and unrealized, appraised capital appreciation) is above pre-determined performance hurdle rates. All investment funds managed by GWRCM and its affiliates and partners include both investment management fees and performance incentive fees. GWRCM does not manage investment funds where compensation is limited to either annual investment management fees or performance incentive fees. Investment management fees are set annually and paid in advance on a quarterly basis. Performance fees are either paid on regular intervals or at the sale of a majority of a Fund's assets and are paid after the fee is earned. Fees are not deducted from client assets.

### GENERAL INFORMATION:

**Investments in Funds:** If a Fund has a general partner, such general partner is affiliated with GWRCM through ownership and control. GWRCM has adopted written policies and procedures designed to ensure that GWRCM does not favor certain investors over others, that investors are provided with appropriate disclosures regarding the conflicts of interest inherent in co-investing and that all investors are treated fairly with respect to co-investment opportunities. Investors should note, however, that GWRCM's allocation of co-investment opportunities is primarily driven by prior arrangements. In addition, co-investment opportunities may be allocated to third party investors that are part of a consortium for the particular deal as a way for GWRCM to complete a transaction. Finally, although investors are not typically a source of investment opportunities, when applicable, GWRCM will generally give priority with respect to co-investment opportunities to any investor that brought an opportunity to GWRCM's attention.

**Lock-Up:** Except as set forth in the applicable Fund's organizational documents, an investor in any one of the Funds generally may not rescind any part of its capital commitment or otherwise

withdraw from any of the Funds. Private equity investing is for those who can afford to have capital locked up for long periods of time and who are able to bear the risk of significant losses. Investors in each Fund should refer to the appropriate Fund's organizational documents for complete information regarding lock-ups and penalties or other consequences for failure to observe capital calls made by the Fund.

**Other Fees and Expenses:** The terms of each Fund's offering documents specify the amount up to which the Fund is responsible for organizational expenses. Investors in any new Fund launched by GWRCM should refer to the organizational document for such Fund for information regarding the amount of organizational expenses that will be incurred by the Fund. No Fund will be responsible for or otherwise incur any percentage of the organizational expenses of any of the other Funds.

**Fees:** In addition to fees paid to GWRCM and affiliates, as appropriate, the operating company may also be responsible for fees for structuring and negotiating transactions (transaction fees) and expenses incurred in the acquisition or sale of tree farm assets or operating companies as well as follow-on and other investments made by the Funds.

**Board Seats:** GWRCM investment professionals are frequently appointed as directors to operating companies in which GWRCM has a controlling interest. GWRCM investment professionals closely monitor the business activities of the operating companies and frequently provide strategic advice and access to industry resources.

**Side Letters:** GWRCM or each Fund's general partner, as appropriate, has and may in the future, waive or modify certain terms of investment for certain large or strategic investors, in side letters or otherwise, in its sole discretion, including but not necessarily limited to, co-investment opportunities, increased Fund and operating company transparency and more frequent or varied formats or modes of operating reporting. We have never entered into side letters in which we or any Fund general partner has waived or lowered a Fund's management fees or carried interest.

**Related Party Contracts:** Affiliates of GWRCM may enter into contracts for with the Funds for services unrelated to investment management or advice, including contracts for property management.

**General:** Prospective investors should refer to the appropriate offering and organizational documents for additional important information, terms, conditions and risks involved with investing in the Fund(s).

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

As disclosed in Item 5 of this Brochure, if a Fund has a general partner, such general partner is an affiliate of GWRCM through common ownership and control and will receive carried interest, a form of performance-based profits interest. Such a performance-based profits interest is calculated based on a share of aggregate realized profits on assets of the Fund (subject to achieving a preferred return on invested capital as set forth in the applicable Fund's offering documents). Investors in the Funds, and prospective investors in any new Fund launched by GWRCM, should note that performance-based profits interest, in some contexts, can create an incentive for an adviser such as GWRCM to recommend investments which may be riskier or more speculative than those which

would be recommended under a different fee arrangement. However, the long term nature of private equity/private debt fund investing mitigates such risk because carried interest is calculated based on realized, not unrealized gains, leading GWRCM to focus on fundamentals when making investment and add-on investments for the Funds.

At this time, we do not have advisory services clients who do not pay performance-based compensation, and therefore, we do not have an incentive to favor performance-based fee accounts over non-performance-based fee accounts. However, in theory, we could have an incentive to favor a Fund paying higher aggregate performance-based compensation than one paying less or a Fund in which officers and employees of the firm and general partner may have more of their personal assets invested. Since we endeavor at all times to put the interest of the Funds first as part of our fiduciary duty as a registered investment adviser, we take the following steps to address these conflicts:

1. We disclose to investors and prospective investors the existence of material conflicts of interest, including the potential for our firm and its employees to earn more compensation from some Funds than others.
2. We collect, maintain and document accurate, complete and relevant investor background information to ensure that investment in the subscribed Fund is appropriate for the investor's financial goals, objectives and risk tolerance and that the investor is qualified to invest.
3. Pursuant to the terms of each Funds' limited partnership agreements and/or organizational documents, we will have substantially (though not necessarily entirely) completed the investment phase of one Fund before the launch of a new subsequent Fund with similar investment goals and objectives.
4. With respect to Funds managed in parallel and those other limited situations where an "add-on" or other investment may be appropriate for more than one of the Funds, we have implemented procedures for fair and consistent allocation of investment opportunities among the Funds and investors, in the case of co-investments, subject to the Funds' maturity or stage of investment, availability of remaining capital commitments, availability of interests in the underlying operating companies and other appropriate considerations.
5. With respect to cross-fund investments, where guidelines are not provided in the Funds' limited partnership agreement, the general partner seeks the consent of the applicable Funds' investor advisory committees to the transaction.
6. We educate our employees regarding the responsibilities of a fiduciary, including the equitable treatment of all clients, regardless of the fee arrangement.
7. Performance-based compensation will only be charged in accordance with the provisions of Rule 205-3 of the Investment Advisers Act of 1940 and/or applicable state regulations.

## **Item 7 Types of Clients**

We offer and currently provide investment management services to sophisticated investors, including: pension funds, family offices, high net worth individuals, and endowments. Only sophisticated investors are able to invest in GWRCM managed investment funds as disclosed at Item 4 of this Brochure. Except as permitted by us or the appropriate Fund's general partner, in accordance with the appropriate Fund's organizational documentation, the target minimum required capital commitment to the Funds is \$5 million.

Prospective investors in any new Fund launched by GWRCM should refer to the appropriate Fund offering documents for information regarding that Fund's minimum required capital commitment and any additional qualifications required for investment.

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

Timberland and the wood fiber it generates is vital to the global economy, providing a renewable resource for housing, furniture, packaging, tissue, heat, energy, and communications. The timberland investment landscape is ever evolving since the early days of timberland being owned by governments, wealthy families and corporate operators to today where timberland investments are part of an institutional investor's portfolio diversification plan.

Many of the timberland investment strategies of the past have been centered on four key principles: 1. Strong market fundamentals, 2. Potential for attractive returns, 3. Lack of correlation with other asset classes, and 4. A hedge against inflation. These unique characteristics have provided portfolio level benefits that have made timberland an enduring part of many institutional portfolios. The case for investing in timberland remains compelling today, but it requires new approaches to address the changing market environment.

GWRCM's believes to justify timber's role in institutional portfolios timberland investments must deliver competitive performance, low correlations, and provide other key environmental, social, and governance objectives. With these requirements and objectives, GWRCM focuses on these three innovative investment strategies offering investors key diversification and impact opportunities for their portfolios:

1. **Global diversification for exposure to faster growing markets:** Structural changes in U.S. timberland markets have increased competition and compressed returns. Despite moderating U.S. returns, timberland exposure continues to offer attractive risk-adjusted U.S. dollar denominated returns, scale and access to some of the world's largest wood markets. In addition to core market exposure, investors should consider opportunities in fast growing, emerging market countries to boost returns. GWR's global timberland portfolio optimization modeling results suggest that risk-efficient portfolios should include a substantial allocation to non-U.S. investments. Exposure to non-U.S. timberland investments with uncorrelated returns offers the potential to improve portfolio-level returns, benefiting from expected growth in global wood demand.
2. **Impact investing to maximize timberland's potential environmental benefits:** The growth of impact investing and observed low correlation between ecosystem service and commercial timber markets directly support investments in conservation impact forestry (CIF). GWRCM research has found that a combination of conservation easements, carbon offset credits and conservation-focused debt can materially increase timberland returns. These opportunities enhance GWRCM's commitment to environmental sustainability through rigorous timberland management.
3. **Look for return enhancers to provide potential higher alpha:** In addition to core timberland investment strategies, opportunities for alpha are increasingly important in highly competitive timberland markets. GWRCM's key areas of focus to generate alpha consists of, but not limited to: a) Increased productivity with improved plant material and silvicultural



strategies that can boost income, b) Build scale to maximize operational and market efficiencies, and c) Understand the market and investment through supply, demand, and pricing studies, spatially explicit market analysis, portfolio optimization and stochastic financial modelling of risk and return.

GWRCM's global professionals and footprint and leadership in financial analysis, economic research, and forest management provides investors a unique team to work with when looking at core United States timberland, core global timberland, and key impact forestry investments opportunities.

GWRCM, its affiliates, and partners evaluate investment strategies and acquisition opportunities by conducting: financial analysis, research on forest productivity, optimization analysis, and market studies. GWRCM and its partners conduct plantation productivity research by establishing R&D trials, conducting inventories of existing plantations, reviewing published scientific research, and communicating with forest managers and academics. Market pricing research is conducted by interviewing downstream manufacturers, reviewing publicly available and proprietary market data, and trial sales. GWRCM evaluates financial returns by producing discounted cash flow models, obtaining relevant market comparables, and by comparing returns from acquisition of existing assets to establishment of new plantations. As with other investment classes, investments in forestry assets involves risk and may lead to the loss of invested capital. Forestry risks may differ from other asset classes in that forestry assets are relatively illiquid, may not generate revenues in all years, and, given longer production lead times, have less flexibility to respond to market trends. Investors should be aware of the following risks associated with forestry investments:

1. **Global Economic Risk** National and regional economies and financial markets are becoming increasingly interconnected, which increases the possibilities that conditions in one country, region or market might adversely impact issuers in a different country, region or market. Changes in legal, political, regulatory, tax and economic conditions may cause fluctuations in markets and securities prices around the world, which could negatively impact the value of an account's investments. Major economic or political disruptions, particularly in large economies, may have global negative economic and market repercussions. Additionally, events such as war, terrorism, natural and environmental disasters and the spread of infectious illnesses or other public health emergencies may adversely affect the global economy and the markets and issuers in which an account invests. A recent example of such events was the outbreak of a novel coronavirus known as COVID-19 that was first detected in China in December 2019. These events could reduce consumer demand or economic output, travel restrictions or quarantines, and generally have a significant impact on the economy. Public policy responses may include forced closures of processing facilities, restrictions on transportation of goods or movement of personnel, and may adversely impact supply chains.
2. **Country & political risk:** GWRCM has developed and is managing investment strategies both within the United States and outside the United States. Foreign ownership of forestland and agricultural land is controversial in many countries. It is possible that laws on foreign ownership and use of forest and agriculture land may change, impacting investor tenure rights.
3. **Tariffs and Trade Tensions:** International trade tensions may result in tariffs or other restrictions that adversely impact timber exports and projected revenues.

4. **Currency Risk:** Changes in currency exchange rates will affect the value of non-U.S. dollar denominated assets, gains and losses realized on the sale of such assets. A strong U.S. dollar relative to these other currencies will adversely affect the value of the Fund's portfolio. Conversely, strength of local currencies may adversely impact exports of forest products.
5. **Policy & regulatory risk:** Forestry operations are inherently exposed to national and states/provincial policy risks. Countries with nascent forestry industries may not have long-standing land use and forestry regulations. Countries may change policies or eliminate favorable programs (e.g. tax breaks and subsidies) created to foster investment in the sector. Regulations relating to harvesting, environmental management, community relations, and infrastructure use may change and make forestry ownership less attractive. The long-time frame for most forestry investments exposes investors to greater risk of changes in tax policy and regulation.
6. **Physical risk:** Forest plantations face a range of physical risks from both natural and human causes. Fires can be caused by lightning strikes, drought, and human carelessness. Drought, cold spells, wind storms, and flooding events can negatively impact growth rates, tree form, and wood quality. Major pest infestations or widespread disease can reduce growth rates, impact tree form, and cause mortality. Any of these events can lead to economic damages and loss of invested capital. Risk of pest damage increases under mono-culture management regimes. Longer rotation strategies will face more years of physical risk prior to harvest than shorter rotation strategies.
7. **Illegal logging:** Although not common in the United States, some jurisdictions where timberland investments are made have a degree of risk with illegal logging. Such acts can erode economic value, increase fire risk, and alter growing conditions and site quality.
8. **Operational risk:** Forestry investment strategies that focus on establishing new plantations and operating in countries with limited operational history may not perform as expected and may face unanticipated operational challenges. Planting new species and implementing new silvicultural strategies is risky. Plantations may not grow at rates assumed in financial models and start-up challenges and mistakes may occur. Forestry owners either provide their own forest management or use third-party property managers and contractors to implement many silviculture activities. In certain jurisdictions, local laws may govern whether owners retain liability for worker health and safety, notwithstanding outsourcing agreements. In regions with an underdeveloped forestry sector, investors may have difficulty identifying professional managers and contractors. Forests located in areas with high population densities are more likely to have encroachment problems and challenging community relations.
9. **Market risk:** Markets for forest products are volatile. The internal rate of return for a project will be highly dependent on market prices at the time established plantations mature. Investment strategies that focus on the development of a new market (i.e. use) may have difficulties creating demand for the new product.
10. **ESG and Reputational Risks:** Forest assets are critical to the economic and environmental landscape of a given community. Ensuring sustainable and certified management of the forests are important to maintain the ability to operate and retain the inherent social license to manage the forest for the various social and economic values they provide.

Specific risks are discussed in greater detail in each Fund's limited partnership agreement and/or other offering documents.

## **Item 9 Disciplinary Information**

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management. Our firm and our management personnel have no reportable disciplinary events to disclose.

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

### **Other Advisor Affiliations:**

GWRCM's parent company is GreenWood Resources, Inc. GWRCM is a subsidiary of Nuveen, LLC. Nuveen is a subsidiary, and represents the Asset Management division, of Teachers Insurance and Annuity Association of America ("TIAA"), a leading financial services provider. TIAA-CREF's financial industry entities may be considered related persons under the Investment Advisers Act of 1940 ("Adviser Act").

TIAA, which controls Nuveen, is a New York life insurance company that issues fixed and variable annuity and life insurance products. Each of TIAA and its affiliates, on one hand, and the Nuveen Investments affiliates, on the other hand, may distribute, make referrals of, use or recommend investment products and services of the other (including funds and pooled investment vehicles, and managed account services), and may pay and receive fees and compensation in connection thereto. In particular, broker-dealers affiliated with each of TIAA and Nuveen Investments act as a distributor with respect to and/or promote and provide marketing support to each other's proprietary mutual funds (i.e., Nuveen Funds and TIAA-CREF Funds), and broker-dealer associated persons are internally compensated for those activities. Further, sales personnel may provide referrals to affiliates in certain limited circumstances and such personnel may be internally compensated in connection with such activities. A potential conflict may exist with respect to such distribution, referrals, use or recommendation of products and services as a result of TIAA's indirect ownership of Nuveen Investments.

As disclosed in GWRCM's Form ADV Part 1, GWRCM and/or a related person is a General Partner in a variety of investment-related Limited Partnerships or a manager of investment related Limited Liability Companies.

TIAA's subsidiaries include various financial industry entities, including broker-dealers, other investment advisers, commodity pool operators and/or commodity trading advisers, banking or thrift institutions, insurance companies or agencies, pension consultants, sponsors or syndicators of limited partnerships, and sponsors, general partners, or managing members of pooled investment vehicles, among other entities. For further information on these subsidiaries, please see Exhibit A.

GWRCM has arrangements that are material to its advisory business or its clients with related persons who are broker-dealers, other investment advisers, real estate brokers and property management firms, banking or thrift institutions and insurance companies or agencies.

### **Private Fund and General Partner Affiliations:**

GWRCM provides investment advice and management to the following pooled investment vehicles and separately managed accounts, and is affiliated with each general partner as applicable:

GreenWood Tree Farm Fund, LP  
 Lewis & Clark Timberlands, LP  
 Renewable Timber Europe, LLC  
 Global Timber Resources, LLC (“GTRCo”)  
 TIAA US Timberlands

L&C Special Member Holdco LLC, an affiliate of Nuveen, serves as the general partner for Lewis & Clark Timberlands. GTFF GP, LLC serves as the general partner for GreenWood Tree Farm Fund.

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

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable state and federal securities laws. Our Code of Ethics includes policies and procedures for the review of quarterly personal securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm’s access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code provides for oversight, enforcement and recordkeeping. A copy of our Code of Ethics is available to our advisory clients and prospective clients, including investors and prospective investors in one or more of the Funds, upon request to the Chief Compliance Officer, at the firm’s principal office address. It is the expressed policy of our firm that no person employed by us may usurp an investment opportunity which may be appropriate for one or more of the Funds without first presenting the opportunity to our investment team, particularly when there is limited availability for participation in the opportunity. As these situations represent a conflict of interest, we have established the following restrictions in order to ensure its fiduciary responsibilities:

1. No officer or employee of our firm may prefer his or her own interest to that of an advisory client.
2. We maintain a list of all securities holdings for our firm and anyone associated with this advisory practice with access to advisory recommendations. These holdings are reviewed on a regular basis by the Chief Compliance Officer.
3. All of our principals and employees must act in accordance with all applicable federal and state regulations governing registered investment advisory practices.
4. Any individual not in observance of the above may be subject to disciplinary action up to and including termination.

The Investment Advisers Act of 1940 makes it unlawful for any investment adviser, directly or indirectly, acting as principal for its own account, to knowingly sell any security to, or purchase any security from, a client without disclosing to the client in writing the capacity in which the adviser is acting and obtaining the client’s consent to the transaction. This rule may apply to certain transactions involving accounts in which investment advisers have interests, such as private fund

investments by the firm's owners, principals, or employees. The SEC has indicated that when an investment adviser and/or its controlling persons own more than 25% of a fund's outstanding securities, it would be effectively treated as a principal transaction if such an account were to engage in a trade with another client account or fund. Such levels of participation in any one of the Funds by our owners, principals or employees is limited by the terms of each Fund's partnership agreements and/or offering documents though side-by-side investments are typically allowed. Without obtaining the consent of the investor advisory committee established for each Fund, neither GWRCM nor any general partner or other affiliated person shall engage in a principal trade with any of the Funds, that is a purchase from or sell of securities to a Fund from a proprietary or person account other than through side-by-side investments as provided for in the respective limited partnership agreement.

## **Item 12 Brokerage Practices**

GWRCM does not have any soft-dollar arrangements and does not receive any soft-dollar benefits. Due to the nature of types of securities the Funds invests in, it does not typically utilize the services of broker dealers or custodians to effect transactions in these securities. The Funds solely invest in real assets (e.g. tree farms, chipping facilities, sawmills, etc.) and related personal property that are not publically traded on a stock exchange.

## **Item 13 Review of Accounts**

GWRCM monitors each Fund's holding on an ongoing basis. As part of the terms of investment, GWRCM has also arranged for the Funds' to have one or more representatives serving on the Investment Committee of the operating companies related to the investments. Each Fund's investor committee will approve all operating investments and dispositions and will be actively involved in analyzing each investment and reviewing those investments on an on-going basis. Each Fund's investor committee meets no less than quarterly to review ongoing monitoring activities and to evaluate potential new investments and add-on acquisitions. Each Fund's investor committee also meet once per year to review and approve annual carrying values of the Funds' respective investments.

The Portfolio Management team, under the supervision of the Head of Portfolio Management and Investor Reporting, in collaboration with the Finance and Operations teams, prepares quarterly written reports to investors that includes, a narrative summary of operations as well as, financial statements for the respective period.

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

GWRCM or its parent may utilize the service of placement agents to pay non-related persons for referring potential clients to the firm or to a Fund that GWRCM advises. In the event GWRCM uses the services of a solicitor, it will be done in accordance with applicable SEC rules, which require full disclosure of the arrangement and a written client acknowledgement.

## **Item 15 Custody**

Because we act as investment adviser to the Funds and are affiliated with each Fund's general partner through common ownership and control, we are deemed to have custody of client assets under

current applicable regulatory interpretations. As an adviser with custody, we seek to have each of the Funds audited on an annual basis by an independent public accountant that is both registered with and subject to regular inspection by the Public Company Accounting Oversight Board (PCAOB). We seek to send, directly or through a third party, the audited financials to each Fund investor within 120 days of the applicable Fund's fiscal year end.

## **Item 16 Investment Discretion**

As investment adviser to the Funds, in some cases GWRCM is granted the discretionary authority in the relevant organizational documents and/or advisory agreements to determine which investments, and the amounts of investments that, are to be bought or sold on behalf of the Funds. For those Funds for which we do not have discretionary authority, our role is to provide due diligence and investment recommendations to our client for their final decision on which investments and amounts of investments that are to be bought or sold on behalf of the Funds.

## **Item 17 Voting Client Securities**

Due to the nature of the investments made in the Funds GWRCM does not vote proxies. The Funds invest in real assets and private company securities related to those real assets, and as such the Funds do not typically have voting authority with regard to corporate governance matters of these private companies. However management or affiliates may sit on the boards of these companies and will vote in the best interests of the Funds.

## **Item 18 Financial Information**

Under no circumstances will we earn fees in excess of \$1,200 more than six months in advance of services rendered, therefore, we are not required to include a financial statement with this brochure. GWRCM has not been the subject of a bankruptcy petition at any time during the past ten years.