

CIRCLE SQUARED ALTERNATIVE INVESTMENTS, LLC

a Registered Investment Adviser

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This brochure provides information about the qualifications and business practices of Circle Squared Alternative Investments, LLC (hereinafter “CSQ”, the “Firm” or “Adviser”). If you have any questions about the contents of this brochure, please contact the Adviser at (973) 975-0750. 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 the Firm is available on the SEC’s website at www.adviserinfo.sec.gov. The Firm is a registered investment adviser. Registration does not imply any level of skill or training.

Item 2. Material Changes

In this Item, Circle Squared Alternative Investments, LLC (“CSQ”, “Firm”, or “Adviser”) is required to discuss any material changes that have been made to the Disclosure Brochure since the last annual amendment dated March 27, 2019. The following material changes have occurred to CSQ since that date:

- CSQ’s advisory affiliate, Sica Wealth Management LLC (“Sica Wealth”), and the Chief Executive Officer both Sica Wealth and CSQ, Jeffrey Sica, were subject to to a U. S. Securities & Exchange Commission (“SEC”) Offer of Settlement made effective on February 27, 2020. The details of the SEC’s actions concerning Sica Wealth and Mr. Sica are further discussed in Item 9: Disciplinary Information.
- CSQ has moved its principal office to 20 Community Place, Suite 7; Morristown, NJ 07960;
- CS Manager, in Q3 2019, issued a convertible note to certain investors and, in doing so, amended its prior Form D filing with the SEC.
- CSQ has updated its regulatory assets under management; and
- CSQ has updated Section 18: Financial Information concerning its outstanding loans.

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Item 4. Advisory Business

Circle Squared Alternative Investments, LLC (“CSQ” or “Adviser” hereafter) is an investment adviser for unregistered pooled investment vehicles (or “Private Funds” or “fund”) that invest in real estate development projects. The Adviser also serves as investment adviser to a feeder fund that is part of a master-feeder fund structure, in which the feeder fund, CSQ Hampshire Net Lease Fund (“CSQHNLFF”), invests all its assets in a private real estate called Hampshire Net Lease Fund managed by a FIMCO, LLC. The Hampshire Net Lease Fund is specifically a 3(c)(5) real estate fund that is exempt from registration under the Investment Company of 1940 (“ICA”) as is the CSQHNLFF and the Adviser’s other private funds, CS Manager LLC (“CS Manager”), CS Hale Investor, LLC (“CS Hale”), CS Bayonne Investor (“CS Bayonne”), CS Netcong Investor (“CS Netcong”) and CS NJCU Investor (“CS NJCU”). All CSQ’s clients are 3(c)(1) private funds exempted from registration under the ICA. CS Manager, in Q3 2019, issued a convertible note to certain investors and, in doing so, amended its prior Form D filing with the SEC.

Each of these funds is a client of CSQ and the portfolio assets are managed on a discretionary basis which, in part, means that the the Fund’s underlying investors (or “Limited Partners”) do not have input into the investment strategy or portfolio selection of the funds. As a consequence, Limited Partners should be aware that these funds are advised or managed in accordance to the investment objectives described in the funds’ offering documents and not customized to any of the Limited Partners’ financial goals or risk tolerances. CSQ, moreover, acts as investment services company and adviser for certain other private funds while also furnishing sub-advisory and consulting services to certain sponsors of third-party funds as described below in more detail. These investment funds, whether CSQ-sponsored or third-party funds, are categorized as “CSQ Funds” for purposes of this document as CSQ will be receiving remuneration as an adviser or sub-adviser; hence, the term “CSQ Funds” will be used hereafter to apply to all such investment funds. CSQ also provides business and investment related services to other investment advisers, broker-dealers and investment product platform sponsors.

Prior to the Adviser rendering any of the foregoing services, clients are required to enter into one or more written agreements with CSQ setting forth the relevant terms and conditions of the advisory relationship (the “Advisory Agreement”).

CSQ has been registered as an investment adviser since October 2014 and is principally owned by Jeffrey C. Sica. As of December 31, 2019, the Adviser had approximately \$47,209,310 in assets under management, all of which, are managed on a discretionary basis.

While this brochure generally describes the business of CSQ, certain sections also discuss the activities of its Supervised Persons, which refer to the Adviser’s officers, partners, directors (or other persons occupying a similar status or performing similar functions), employees or any other person who provides investment advice on CSQ’s behalf and is subject to the Adviser’s supervision or control.

Investment Manager for the CSQ Funds

The CSQ Funds will generally be organized as feeder funds investing substantially all of their assets in a master fund advised by a third party investment adviser (the “Master Funds” and the “Master Fund Adviser”). CSQ seeks to build a suite of CSQ Funds in a variety of alternative asset classes appropriate for investment advisers to include in a diversified portfolio for high net worth and ultra-high net worth investors. Each Master Fund Adviser will have discretion over the Master Fund investment portfolio and CSQ does not provide investment advice to the Master Fund with respect to the Master Fund portfolio.

CSQ selects the Master Funds it believes will be useful and attractive to investment advisers seeking to build such portfolios for their clients and, as the manager of the CSQ Fund, monitors the Master Fund performance and manages other aspects of the CSQ Funds’ investment in the Master Fund. From time to time, an employee of the Adviser on behalf of a CSQ Fund, may sit on an advisory board or committee of the Master Fund for purposes of performance monitoring, providing independent review of matters involving a conflict of interest for the Master Fund Adviser and such other non-advisory matters as may be assigned to such board or committee.

The services CSQ typically provides to the CSQ Funds include:

- Conducting due diligence on alternative investment managers (e.g., real estate, hedge funds, private credit, private equity, venture capital and “alternative alternatives”);
- Identifying top tier alternative investment strategies and managers; and
- Partnering with top tier managers to create feeder funds and to possibly manage the operation of CSQ feeder funds.

Interests in CSQ Funds are privately offered pursuant to Regulation D under the Securities Act of 1933, as amended. The CSQ Funds anticipate relying on an exemption from registration under the Investment Company Act of 1940, as amended. Participation as an investor in the CSQ Funds is restricted to investors that are considered “qualified clients” as defined in Rule 205-3 under the Investment Advisers Act of 1940, as amended, and “qualified purchasers” as defined in Section 2(a)(51) of the Investment Company Act of 1940, as amended. Investment in the CSQ Funds involves a significant degree of risk. All relevant information, terms and conditions relative to the CSQ Funds, including the compensation received by the Adviser or its affiliate as general partner, suitability, risk factors and potential conflicts of interest, are set forth in a Confidential Private Offering Memorandum (the “Memorandum”), Limited Partnership Agreement (the “Agreement”), and/or Subscription Agreement (together, the “Offering Documents”), which each investor is required to receive and/or execute prior to being accepted as an investor in the CSQ Funds.

The Adviser will devote its best efforts with respect to its management of both the CSQ Funds and its other clients. Given the above discussion relative to the objectives, suitability, risk factors and qualifications for participation in the CSQ Funds, the Adviser may give advice or take action with respect to the CSQ Funds

that differs from that for its other clients. Where the Adviser recommends the allocation of client assets among the various investment options available with the product, these assets are generally maintained at the custodian designated by the product's provider.

Moreover, CSQ's affiliated entity, CS Manager, has established operating agreements with other firms to facilitated joint ventures that invest primarily in real estate. These joint ventures have multi-layered structures but ultimately operate as private funds in which CSQ is the investment adviser. CS Manager is the managing member (or general partner) of the aforementioned private funds including: CS Hale, CS Manager, CS Bayonne and CS NJCU.

Sub-Advisor Services

CSQ also provides sub-advisory services to certain sponsors of third-party funds as described in more detail in "Item 10. Other Financial Industry Activities and Affiliations".

Consulting Services

The Adviser offers clients a broad range of business and investment related consulting services, which will typically be provided to investment advisers, broker-dealers and investment product platforms.

The Adviser's business consulting services generally consist of advising and assisting clients with expanding, improving and/or modernizing the way the client operates its wealth management or wealth management-related business. Consulting services may include providing education and training to investment advisers and their affiliated professionals; reviewing an investment adviser's operating environment and recommending improvements to technology, client reporting practices and/or client account assessment and construction practices; and reviewing and recommending improvements to the investment adviser client account services via improved client education and communication initiatives and access to broader investment product and services array through turnkey asset management platforms and other new product channels. Specifically, the consulting services may include:

- Advise alternative asset investment advisers on how to package, market and sell their strategies to investment advisers;
- Advise investment advisers on how to establish best-in-class wealth management product and service offerings;
- Provide investment consulting services to wealth management platform sponsors, investment advisers, family office managers and other wealth management advisors seeking to improve adviser services;

- Provide education and training services related to investment and market developments, portfolio modeling and construction, evaluating traditional and alternative investment products, evaluating client portfolios and counseling clients on asset allocation and the inclusion of alternative investments;
- Provide investment product and service recommendations that are not limited to products or services offered by a specific broker-dealer, asset manager, bank or insurance company; and
- Provide follow up consultations to identify material developments affecting the consulting client's prior recommendations, models or product or service offerings.

For third party platform sponsors, consulting services may also include introducing investment advisers or other persons as new customers or subscribers for the platform services. In such circumstances there may be conflicts of interests that will be described on a fully disclosed basis.

The Adviser also provides certain education services including:

- Creating research-based white papers on relevant alternative investment topics that allow advisers to white label papers for use with their clients; and
- Conducting seminars for advisers centered around alternative investments.

In performing these services, CSQ is not required to verify any information received from the client or from the client's other professionals (e.g., attorneys, accountants, etc.) and is expressly authorized to rely on such information. CSQ may recommend clients engage the Adviser for additional related services, its Supervised Persons in their individual capacities as insurance agents, or other professionals to implement its recommendations.

Clients are advised that a conflict of interest exists if clients engage the Adviser or its affiliates to provide additional services for compensation.

Clients retain absolute discretion over all decisions regarding implementation and are under no obligation to act upon any of the recommendations made by the Adviser under a consulting engagement. Clients are advised that it remains their responsibility to promptly notify the Adviser of any change in their financial situation or investment objectives for the purpose of reviewing, evaluating or revising the Adviser's recommendations and/or services.

CSQ also provides real estate consulting services, including real estate development, refinancing and disposition consulting services, to clients. CSQ may provide such real estate consulting services to projects in which the CSQ Funds may invest, directly or indirectly.

Because CSQ receives compensation for such services, a conflict of interest exists because CSQ has an incentive to promote investment in such projects.

Loan Advisory Services

CSQ also provides sourcing, due diligence, and negotiation services with respect to certain loans to be acquired on behalf of investors. CSQ and Hampshire Destination Properties jointly provide management services with respect to such loans and are compensated only after predetermined interest has been paid to investors and after loan expenses have been paid.

Item 5. Fees and Compensation

The Adviser offers services on a fee basis, which typically include fees based upon assets under advisement on the platform or assets under management as well as incentive compensation (or “Performance Fees”). Information specific to Performance Fees is provided below. Additionally, certain of the Adviser’s Supervised Persons, in their individual capacities, offer investment management and/or insurance products under a separate engagement.

CSQ Fund Fees

As discussed above in Item 4, all relevant information, terms and conditions related to the compensation received by the Adviser are set forth in the Offering Documents, as appropriate. In addition to the fees described above, the CSQ Funds will pay certain expenses of the CSQ Funds which may include, but are not limited to, operational expenses (including fees and expenses payable to the administrator), expenses of custodians, paying agents, consultants, counsel and accountants, brokerage commissions and other investment fees and costs, any insurance, indemnity or litigation expense, financing costs, auditing expenses, financial statement and tax return preparation costs, filing and registration fees, expenses of winding up and liquidation, and any taxes, fees or other governmental charges levied against the CSQ Funds. All relevant information related to the expenses paid by the CSQ Funds is set forth in the Offering Documents.

CSQ Funds pay advisory fees and incentive compensation to the Adviser. Fund fees are often substantially similar for all fund investors as disclosed in the Offering Documents, however, each CSQ Fund’s general partner and/or managing member shall generally have the authority to apply different fees to certain investors. Fees and compensation for current CSQ Funds are described below; however, for a full and complete listing of attendant fees, investors should consult the applicable offering documents:

CSQ Hampshire Net Lease Fund I, a series of the Hampshire Net Lease Funds, LLC

Advisory Fee: Annual rate of 0.40% of the aggregate Unit Value of the CSQ Hampshire Net Lease Fund I

- Incentive Compensation: The Adviser receives incentive compensation in three ways, as described more completely in Item 6 below: (i) From distributions upon each 5-Year Revaluation; (ii) from distributions of excess Net Cash from Operations; and (iii) from distributions of Net Cash from Capital Events.
- The Adviser is entitled to expense funding from CSQ Hampshire Net Lease Fund I.

Performance-Based Fees

CSQ may also offer management services to the CSQ Funds for a performance-based fee in accordance with applicable laws, rules and regulations. Under this arrangement, the Adviser charges a fee based upon the performance of the CSQ Funds.

Sub-Advisory Fees

CSQ generally receives compensation for sub-advisory services in the form of fixed fees which are negotiated with sub-advisory clients. The terms and conditions of the sub-advisory engagement are set forth in the Agreement with CSQ.

Consulting Fees

For investment consulting-related services, the Adviser generally charges a fee based on the amount of assets under the Adviser's advisement. This consulting fee is variable and will be individually negotiated. For other types of consulting arrangements, CSQ may have fixed or flat fee arrangements which are individually negotiated with the client. The terms and conditions of each consulting engagement are set forth in the Agreement with the client.

Fee Discretion

The Adviser, may, in its sole discretion, negotiate to charge a greater or lesser fee based upon certain criteria, such as anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing/legacy client relationship, account retention and pro bono activities.

Additional Fees and Expenses

In addition to the fees paid to Adviser, investors in the CSQ Funds (i.e., Limited Partners) also incur certain charges imposed by other third parties, such as broker-dealers, custodians, trust companies, banks and other financial institutions (collectively "Financial Institutions").

CSQ is also entitled to other fees or expense reimbursement rights from a CSQ Fund, as more fully described in the Offering Documents. From time to time, CSQ or a CSQ Fund may be entitled to expense funding or reimbursement rights from a Master Fund, Master Fund Adviser or its affiliates. To the extent a CSQ Fund receives such support, the costs so defrayed may benefit CSQ, Master Fund Adviser, or both.

Direct Fee Debit

Limited Partners in the CSQ Funds or other CSQ clients generally provide the Adviser with the authority to directly debit their accounts for payment of the fees. The Financial Institutions that act as the qualified custodian, from which the Adviser retains the authority to directly deduct fees, have agreed to send statements not less than quarterly detailing all account transactions, including any amounts paid to CSQ. Alternatively, CSQ clients (other than Limited Partners in the CSQ Funds in most cases) may elect to have the Adviser send a separate invoice for direct payment.

Item 6. Performance-Based Fees and Side-by-Side Management

As stated in Item 5, The Adviser provides advisory services to qualified persons for a performance-based fee (i.e., a fee based on a share of capital gains or capital appreciation of a client's assets). Although the Adviser believes that this fee arrangement best aligns the interests of the Adviser, the Private Funds in which it manages, and applicable Limited Partners, may raise conflicts of interest. The performance-based fee creates an incentive for the Adviser to make or recommend investments that are riskier or more speculative than would be the case absent a performance-based fee arrangement. Nonetheless, CSQ is committed to ensuring that its investment recommendations are in the best interest of its clients.

Item 7. Types of Clients

The Adviser furnishes services to its only clients, which are private funds, unless CSQ has arranged other advisory services with an investors through an investment advisory contract. In this regard, CSQ may enter consulting or other advisory services agreements with investment advisers, broker-dealers, investment product platform sponsors, investment limited partnerships and other pooled investment vehicles, corporations, and other business entities.

Minimum Account Requirements

The Adviser does not impose a stated minimum fee or minimum portfolio value. The CSQ Hampshire Net Lease Fund I, CS Hale, CS Manager, and CS NJCU, do require an initial investment of \$100,000 (although maintains discretion to accept smaller initial investments) as well as eligibility as a Qualified Client (or

Qualified Purchaser) as mentioned above. Other third-party funds that CSQ may recommend may maintain a different initial investment amount and such information would be described in the relevant Offering Documents.

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

Methods of Analysis

The Adviser utilizes a combination of fundamental, technical, and cyclical methods of analysis.

Fundamental analysis involves an evaluation of the fundamental financial condition and competitive position of a particular fund or issuer. For CSQ, this process typically involves an analysis of an issuer's management team, investment strategies, style drift, past performance, reputation and financial strength in relation to the asset class concentrations and risk exposures of the Adviser's model asset allocations. A substantial risk in relying upon fundamental analysis is that while the overall health and position of a company may be good, evolving market conditions may negatively impact the security.

Technical analysis involves the examination of past market data rather than specific issuer information in determining the recommendations made to clients. Technical analysis may involve the use of mathematical based indicators and charts, such as moving averages and price correlations, to identify market patterns and trends which may be based on investor sentiment rather than the fundamentals of the company. A substantial risk in relying upon technical analysis is that spotting historical trends may not help to predict such trends in the future. Even if the trend will eventually reoccur, there is no guarantee that the Adviser will be able to accurately predict such a reoccurrence.

Cyclical analysis is similar to technical analysis in that it involves the assessment of market conditions at a macro (entire market or economy) or micro (company specific) level, rather than focusing on the overall fundamental analysis of the health of the particular company that the Adviser is recommending. The risks with cyclical analysis are similar to those of technical analysis.

Fund due diligence is conducted on all potential Master Fund Advisers and Master Funds prior to selecting and entering in a relationship with CSQ. A review of the investment strategy and goals is conducted to ensure they do not conflict with those of CSQ. Documents including advisory disclosure documents, private offering memoranda, prospectuses or other offering materials provided by the Master Fund Adviser are used to determine that the investments are consistent with the investment principles and strategies that were disclosed by the Master Fund Adviser to CSQ, as well as attempt to identify any conflicts of interest that may exist and require proper disclosure. Certain compliance procedures and performance returns as supplied by the Master Fund Adviser are also evaluated along with their qualifications, expertise and fees. Potential Master Fund Adviser and Master Fund relationships are reviewed and voted on by the CSQ

Investment Committee. Periodic reassessment is conducted at least annually to determine whether CSQ will continue to have a relationship with a particular Master Fund Adviser or Master Fund.

Investment Strategies

CSQ seeks to build a suite of CSQ Funds that offer investment advisers access to a diversified array of alternative investment products appropriate for consideration and investment by high net worth and ultra-high net worth investors. CSQ's investment strategy for each CSQ Fund is stated in the Offering Documents. Generally, CSQ Funds seek to provide current income or total returns that are not correlated to the performance of the stock market or traditional bond markets. Consulting services are based on the Adviser's view that wealth management clients are well served by utilizing modern portfolio construction, modeling tools and a combination of traditional and alternative investments. CSQ does not advise wealth management clients (individual or institutional investors) directly. Consulting clients are responsible for determining whether and how to implement the Adviser's recommendations in the context of their own clients' investment objectives, risk tolerances, and time horizons, among other considerations.

The Adviser intends to create feeder funds that are designed for use by high net worth and ultra-high net worth investors that will provide exposure to alternative asset classes such as real estate, hedge fund strategies, venture capital, private debt and private equity. Currently, CSQ advises only one feeder fund, the CSQ Hampshire Net Lease Fund I. As a feeder fund, the CSQ Hampshire Net Lease Fund I makes investments in a master fund called, Hampshire Net Lease Fund, which is advised by FIMCO, LLC, and is designed to provide access to a diversified portfolio of real estate investment opportunities in single tenant, net leased properties, as more particularly described in the Offering Documents and specifically Hampshire Net Lease Fund I's Private Placement Memorandum (or similar documents associated with the private funds made available to limited partners through CSQ).

Risk of Loss

Market Risks

Investing involves risk, including the potential loss of principal and all investors should be guided accordingly. The profitability of a significant portion of CSQ's recommendations and/or investment decisions may depend to a great extent upon correctly assessing the future course of price movements of stocks, bonds and other asset classes. There can be no assurance that the Adviser will be able to predict those price movements accurately or capitalize on any such assumptions.

Volatility Risks

The prices and values of investments can be highly volatile, and are influenced by, among other things, interest rates, general economic conditions, the condition of the financial markets, the financial condition

of the issuers of such assets, changing supply and demand relationships, and programs and policies of governments.

Cash Alternatives

The Adviser may invest some of a client's assets temporarily in money market funds or other similar types of investments, during which time an advisory account may be prevented from achieving its investment objective.

Equity-Related Securities and Instruments

The Adviser may take long and short positions in common stocks of U.S. and non-U.S. issuers traded on national securities exchanges and over-the-counter markets. The value of equity securities varies in response to many factors. These factors include, without limitation, factors specific to an issuer and factors specific to the industry in which the issuer participates. Individual companies may report poor results or be negatively affected by industry and/or economic trends and developments, and the stock prices of such companies may suffer a decline in response. In addition, equity securities are subject to stock risk, which is the risk that stock prices historically rise and fall in periodic cycles. U.S. and non-U.S. stock markets have experienced periods of substantial price volatility in the past and may do so again in the future. In addition, investments in small-capitalization, midcapitalization and financially distressed companies may be subject to more abrupt or erratic price movements and may lack sufficient market liquidity, and these issuers often face greater business risks.

Fixed Income Securities

Fixed income securities are subject to the risk of the issuer's or a guarantor's inability to meet principal and interest payments on its obligations and to price volatility.

Use of Private Collective Investment Vehicles

The Adviser recommends that certain clients invest in privately placed collective investment vehicles (e.g., hedge funds, private equity funds, etc.). The managers of these vehicles 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. 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 relatively less regulation. There are numerous other risks in investing in these securities. Clients should consult each fund's private placement memorandum and/or other documents explaining such risks prior to investing.

Master Feeder Risk

CSQ Funds will invest all or substantially all of their assets in Master Funds. In light of the fact that typically all expenses of Master Funds are shared pro rata among its investors, including the feeder funds' investment

from Master Funds may be adversely affected by other investors in Master Funds. For example, if other investors withdraw a substantial amount of their investment in Master Funds, the remaining investors, including the CSQ Funds, may experience higher pro rata operating expenses, thereby producing lower returns. Master Funds may be required to liquidate assets to fund withdrawals at an inopportune time, which may adversely affect the performance of Master Funds and, consequently, the CSQ Funds. Additionally, creditors of Master Funds may be able to enforce claims against the CSQ Funds.

Real Estate Risk

Real estate related investments are subject to varying degrees of risk. The returns available from investments in real estate related investments depend on the amount of income generated and expenses incurred. The income generated by, and the value of, any portfolio investment made by Master Funds may also be adversely affected by a number of factors, including: the national, regional and local economic climate; supply and demand for properties and investments; the perceptions by prospective tenants of the safety, convenience and attractiveness of the area in which each investment is located; the ability of Master Funds to provide adequate management, maintenance and insurance; operating costs (including real estate taxes and utilities, and cost of compliance with government regulation, including zoning, environmental and tax laws); and changes in interest rates. Additionally, Master Funds may invest in under-performing assets (i.e., real estate assets that have experienced or continue to experience financial difficulties). Accordingly, an investment in the CSQ Funds require a long-term commitment, with no certainty of a return of principal.

Real estate related investments are a highly-competitive business. Other competitors for acquisitions of real properties and other debt or equity related real estate investments may have greater economic and personnel resources than Master Funds or better relationships with sellers of these real properties and real estate related investments, lenders and others, thereby putting Master Funds and, by extension, the feeder funds, at a competitive disadvantage. These entities may also generally be able to accept more risk. This competition may generally reduce the number of suitable investments available to Master Funds and increase the prices for investments that Master Funds would pursue.

Liquidity Risk

Real estate related investments are illiquid. Where applicable, Master Funds' ability to dispose of real estate related investments in a timely manner, or realize any gain or recover its investment capital, may be limited. The ability of Master Funds to diversify investment portfolio in response to economic or other market conditions may also be limited. Real estate related investments may be subject to legal, contractual or other restrictions on resale or transfer that could interfere with the disposition of such investments or adversely impact the terms that could be obtained upon such disposition.

Refinancing Risk

Master Funds may make portfolio investments with the intent of refinancing all or a portion of such investments, but Master Funds may not be able to complete such a refinancing. If Master Funds were unable to complete such a refinancing, Master Funds (and, by extension, the CSQ Funds) may have a larger position in a particular portfolio investment than expected, thereby reducing diversification. Such inability to refinance could also cause Master Funds to dispose of portfolio investments on disadvantageous terms.

Item 9. Disciplinary Information

In this section, the Adviser is required to disclose any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of its management. On February 27, 2020, the SEC filed a settled Order Instituting Administrative Proceedings ("OIP") against registered investment adviser Sica Wealth Management, LLC ("SWM") and its principal Jeffrey C. Sica ("Sica"). SWM and Mr. Sica agreed to settle the OIP without admitting or denying the SEC's findings contained therein. According to the SEC, SWM and Mr. Sica failed to adequately disclose certain compensation that SWM and an affiliated adviser received from Aequis Management, LLC during the time that SWM and Mr. Sica recommended that certain clients invest in securities issued by Aequis Commercial Finance, LLC ("ACF") (Aequis Management, LCC, the parent company of ACF, and ACF are referred to herein as "Aequis"). The SEC found that Aequis paid SWM and the affiliated adviser a total of \$2 million pursuant to consulting agreements and a loan agreement, which created conflicts of interest relating to SWM's and Sica's recommendations that clients invest in Aequis securities. Approximately 45 SWM clients invested approximately \$30.6 million in ACF Notes between October 2013 and March 2015. The SEC further found that the Aequis agreements and the resulting compensation should have been disclosed to clients so that they could fairly evaluate the conflicts in deciding whether to invest in Aequis securities. SWM and Mr. Sica ceased recommending Aequis in March 2015 and had redeemed approximately \$20 million of the ACF Notes by November 2015. Based on the failure to adequately disclose the consulting and loan payments, the SEC found that SWM and Mr. Sica violated Section 206(2) of the Investment Advisers Act of 1940. Pursuant to the OIP, SWM and Mr. Sica were censured and ordered to cease-and desist from violating Section 206(2) of the Adviser Act. In addition, SWM will pay disgorgement of \$236,029.19, prejudgment interest of \$57,173.06 and a civil penalty of \$80,000. The disgorgement and prejudgment interest ultimately will be distributed to SWM clients who paid management fees on their ACF Notes to SWM or its affiliated adviser. Mr. Sica will pay a civil penalty of \$30,000.

Item 10. Other Financial Industry Activities and Affiliations

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

The affiliates noted herein may pose conflicts of interests to the Adviser given existing business relationships.

CSQ and its affiliated investment adviser, Sica Wealth, will only make recommendations based on the client interests in accordance with its fiduciary responsibilities. CSQ, through its advisory affiliate, Sica Wealth, is affiliated with Sica Wealth Management Insurance Agency. Certain Sica Wealth employees are licensed insurance agents that may recommend insurance products to clients and receive compensation for doing so.

Related Investment Advisers

The Principal of the Adviser, Jeffrey Sica, is also the owner and Chief Executive Officer of Sica Wealth Management, LLC (“Sica Wealth”), which is an investment adviser under common control with CSQ. Sica Wealth recommends that eligible clients invest assets in CSQ Funds including ones CSQ sponsors and is the managing member. For example, the CSQ Hampshire Net Lease Fund I is a private fund that CSQ is the adviser and that fund is a feeder fund to the master fund, Hampshire Net Lease Fund whose adviser is FIMCO, LLC. Jeffrey Sica is also the owner of CS Manager, LLC, the managing member of private investment funds (e.g., CS Hale Investor, LLC, CS Manager, LLC, CS Bayonne Investor, CS Netcong Investor, and CS NJCU Investor, LLC) in which CSQ and CS Manager serves as investment adviser and managing member, respectively.

Related Insurance Agency and Licensed Insurance Agents

CSQ’s affiliate adviser, Sica Wealth Management LLC (“Sica Wealth”), has an arrangement with The Hotaling Group, an independent insurance agency, to allow employees licensed as insurance agents with Sica Wealth’s agency to receive referral fees in the form of the commissions earned by the Hotaling Group in exchange for client referrals to the Hotaling Group.

Relationship with Other Entities

FIMCO: FIMCO, LLC, a SEC-registered investment adviser, serves as a the Master Fund Adviser to the Hampshire Net Lease Fund (“Master Fund”) for which CSQ serves as the adviser to the CSQ Hampshire Net Lease Fund I (“Feeder Fund”). As a Feeder Fund, CSQ Hampshire Net Lease Fund I makes its investments into the Hampshire Net Lease Fund.

Hampshire: CSQ maintains minority ownership interests in entities that manage investment vehicles in real estate projects sponsored by Hampshire and earns compensation (including performance-based compensation) for managing such investment vehicles. As of February 29, 2020, the Chief Executive Officer of Sica Wealth has an outstanding loan obligation with Hampshire Companies and its affiliates of approximately \$176,253.13.

Ledgewood. In April 2016, Ledgewood Properties, Inc. Profit Sharing Plan (“Ledgewood”), an affiliate of Hampshire Destination Properties, gave CSQ a promissory note earmarked for operating capital and as a part of a loan consolidation effort. Ledgewood provides capital to firms for investment vehicles and/or other compensation for providing services required. During June 2016-July 2016, Jeffrey Sica and CSQ entered into another promissory note with Ledgewood, pursuant to which they borrowed an additional \$150,000 in three separate transactions. On December 1, 2016, the foregoing promissory notes owed to Ledgewood were consolidated into a promissory note in the amount of \$422,025. On December 15, 2016, Jeffrey Sica and CSQ entered into a promissory note with Ledgewood to borrow an additional \$165,000. On February 28, 2017, Jeffrey Sica executed a guaranty (i.e., personal guarantee) with respect to the foregoing promissory note. As of February 29, 2020, the outstanding loan amount to Ledgewood is approximately \$259,000.

CrownPoint Development Group (“CrownPoint”). On July 29, 2019, CSQ entered into a promissory note of \$150,000 with a principal of CrownPoint, who is a Sica Wealth client and partner of the CS Netcong private fund investment.

The PRC Group of Companies (“PRC”): PRC made of a loan to CSQ in the amount of \$150,000 on March 26, 2019. PRC is a compendium of affiliated, but separate, business entities that engage in discrete aspects of Residential and Commercial Real Estate Ownership, Development, Operations, and Management. A \$51,402.78 payment was made on this loan on December 6, 2019 including \$50,000 to the principal and

1,402.78 for accrued interest. Additionally, another \$150,000 promisory note was entered into with PRC on May 10, 2019.

Item 11. Code of Ethics, Participation or Interest in Client Transactions & Personal Trading

The Adviser has adopted a code of ethics in compliance with applicable securities laws (“Code of Ethics”) that sets forth the standards of conduct expected of its Supervised Persons. The Adviser’s Code of Ethics contains written policies reasonably designed to prevent certain unlawful practices such as the use of material non-public information by the Adviser or any of its Supervised Persons and the trading by the same of securities ahead of clients in order to take advantage of pending orders.

The Code of Ethics also requires certain of the Adviser’s personnel to report their personal securities holdings and transactions and obtain pre-approval of certain investments (e.g., initial public offerings, limited offerings). However, the Adviser’s Supervised Persons are permitted to buy or sell securities that it also recommends to clients if done in a fair and equitable manner that is consistent with the Adviser’s policies and procedures. This Code of Ethics has been established recognizing that some securities trade in sufficiently broad markets to permit transactions by certain personnel to be completed without any appreciable impact on the markets of such securities. Therefore, under limited circumstances, exceptions may be made to the policies stated below.

When the Adviser is engaging in or considering a transaction in any security on behalf of a client, no Supervised Person with access to this information may knowingly effect for themselves or for their immediate family (i.e., spouse, minor children and adults living in the same household) a transaction in that security unless:

- the transaction has been completed; or
- a decision has been made not to engage in the transaction for the client.

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 open-end mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more open-end mutual funds.

Clients, Limited Partners of the CSQ Funds, and prospective clients may contact the the Adviser to request a copy of its Code of Ethics. Such requests may be directed to the CSQ Chief Compliance Officer at (973) 975-0750.

Item 12. Brokerage Practices

Recommendation of Broker/Dealers for Client Transactions

The Adviser does not recommend its Private Funds or Limited Partners to its Private Funds utilize the custody, brokerage and clearing services of any particular financial institutions. CSQ has discretionary authority in these areas, however, in connection to the CSQ Funds that it is the primary investment adviser.

Item 13. Review of Accounts

Account Reviews

The Adviser will review underlying Master Fund investments periodically. More specifically, one of the Co-Chief Investment Officers will perform the quarterly review of underlying Master Fund investments. The Adviser may initiate off or mid-cycle reviews of a Master Fund when developments in the economy, the relevant market or developments relevant to a specific Master Fund portfolio or specific Master Fund Adviser are deemed, in the Adviser's sole and absolute discretion, to be material to the investment objective the CSQ Fund seeks to achieve through the Master Fund.

Account Statements and Reports

Limited Partners invested in private funds that are sponsored and advised by CSQ may be provided with quarterly statements generated by the Administrator in addition to the audited financials referenced herein. For third-party private funds, similar considerations occur but are subject to the governing documents of the funds' advisers.

Item 14. Client Referrals and Other Compensation

Client Referrals

The Adviser does not currently provide compensation to any third-party solicitors for individual client referrals. From time to time, The Adviser or the CSQ Funds may compensate properly qualified or licensed placement agents or investment advisory representatives to market interests or shares of the CSQ Funds to eligible investors. No such arrangements are currently in place.

Economic Benefits

From time to time, the Adviser or a CSQ Fund may be entitled to expense funding or reimbursement rights from a Master Fund Adviser or its affiliates. To the extent a CSQ Fund receives such support, the costs so defrayed may benefit the Adviser, Master Fund Adviser, or both indirectly.

Item 15. Custody**Private Fund**

CSQ acts as investment adviser to private funds that must meet one of the exemptions outlined in the Investment Company Act of 1940, as amended, to be designated as such. As CSQ is under common control with the managing member of funds in which CSQ serves as the primary investment adviser, the Adviser is deemed to have custody of client assets invested in these funds. As such, the Adviser engages an independent public accountant registered with, and subject to regulatory inspection by, the Public Company Accounting Oversight Board (PCAOB) to conduct an annual audit of the financials of these private funds. The Adviser distributes the audited financials of the funds to the General Partners and to each Limited Partner (i.e., underlying investor) of the applicable fund within 120 days of the fund's fiscal year-end.

Item 16. Investment Discretion

The Adviser has the authority to exercise discretion on behalf of the private funds that CSQ is the primary investment adviser with respect to the following activities:

- The securities (where applicable) or other portfolio investments to be purchased or sold;
- The broker-dealer (where applicable) to be used for the purchase or sale of securities;
- The amount of securities (where applicable) or portfolio investments to be purchased or sold; and
- When transactions are made.

Item 17. Voting Client Securities

Declination of Proxy Voting Authority

The Adviser does not accept the authority to vote a client's securities (i.e., proxies) on their behalf. Clients receive proxies directly from the Financial Institutions where their assets are custodied and may contact the Adviser at the contact information on the cover of this brochure with questions about any such issuer solicitations. Given the nature of CSQ's business activities, the occurrences of proxy voting are very much limited.

Item 18. Financial Information

CSQ has entered into a loan agreement with its advisory affiliate, Sica Wealth Management, LLC ("SWM"), that is subject to terms and conditions describing repayment. While CSQ is a related adviser to SWM, both investment advisers have operational independence and maintain separate financials. The principal owner of SWM and CSQ, Jeffrey Sica, has entered into loan agreements and promissory notes with associates and unaffiliated parties to finance business development and operations for CSQ.

Other information that an Adviser shall disclose in this section concerning financial information is not applicable to CSQ including the following items:

- The Adviser does not require or solicit the prepayment of more than \$1,200 in fees six months or more in advance of services rendered;
- The Adviser does not have a financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients; and
- The Adviser has not been the subject of a bankruptcy petition at any time during the past ten years.