

FIRM BROCHURE
(Part 2A of Form ADV)

AgIS Management, LLC

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This Brochure provides information about the qualifications and business practices of AgIS Management, LLC. If you have any questions about the contents of this Brochure, please contact Carolyn M. Bailey at 617-350-9894 or cbailey@agiscapital.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. Please note, the use of the terms "registered investment adviser" and/or "registered", registration itself does not imply a certain level of skill or training.

Additional information about AgIS Management, LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 Material Changes

The purpose of this Item 2 is to disclose material changes that have been made to this Brochure since the last annual update of this Brochure.

There have been no material changes made since the last annual update on March 28, 2019.

Item 3 Table Of Contents

Item 1 Cover Page	Page 1
Item 2 Material Changes	Page 2
Item 3 Table Of Contents	Page 3
Item 4 Advisory Business	Page 4
Item 5 Fees and Compensation	Page 4
Item 6 Performance-Based Fees and Side-By-Side Management	Page 6
Item 7 Types of Clients	Page 6
Item 8 Methods of Analysis, Investment Strategies and Risk of Loss	Page 7
Item 9 Disciplinary Information	Page 8
Item 10 Other Financial Industry Activities and Affiliations	Page 8
Item 11 Code of Ethics	Page 9
Item 12 Brokerage Practices	Page 9
Item 13 Review of Accounts	Page 9
Item 14 Client Referrals and Other Compensation	Page 9
Item 15 Custody	Page 10
Item 16 Investment Discretion	Page 10
Item 17 Voting Client Securities	Page 10
Item 18 Financial Information	Page 10

Item 4 Advisory Business

AglS Management, LLC (referred to herein as "AglS", the "Firm") was launched in June, 2013 by Jeffrey A. Conrad, Kenneth L. Warlick and Carolyn M. Bailey. The Firm's sole member is AglS Capital, LLC. AglS Capital, LLC's Managing Member and Principal owner is Jeffery A. Conrad, President.

AglS's investment activity is limited to acquiring and managing farmland properties and interest in related operating companies for institutional clients through separate accounts. Size and structure of investments vary by client objectives.

AglS offers individually-managed separate accounts and tailors and customizes each client's investment program to their specific risk and return objectives. Accounts can vary by property types, commodity groups, property sizes, management strategies and geography. No two separate account are identical due to the difference in assets and objectives. Clients may impose restrictions on investing in certain securities or types of securities.

In the agricultural investment universe, property management services are key to the success of the portfolio. Depending on the nature and structure of the specific investments, the level of property management services will vary. Passive (leased) properties have one set of requirements while active (operated) properties have a more intense set of requirements.

In a passive investment strategy, the land component is leased to farm operators who are responsible for crop production, harvest and marketing. The farm operators have day to day responsibility for care and maintenance of the land and related assets. AglS staff and its contractors then oversee the farm operators to ensure that the farm operators act as stewards of the land as well as meet all contractual and legal obligations.

In an active or operated investment strategy, AglS acts as the farm operators, directly or via contractors, as well as provides services to ensure the integrity of the investment as well as meet all contractual and legal obligations.

Due to the unique and complex structure of each investment opportunity, managing farmland properties and related operating companies may result in: leasing acquired assets back to the farmers from whom the property was purchased, the acquisition of public or private corporate debt securities, and the issuance of warrants, rights or other securities.

As of December 31, 2019, we provide continuous management services for \$1,000,000,000 in client assets on a discretionary basis.

Item 5 Fees and Compensation

In accordance with its executed Investment Management Agreement ("IMA"), AglS generally charges between 75 and 150 bps on defined invested capital on a quarterly basis in advance. However, as each IMA is negotiated and customized with the client the rate may change from client to client and fees may be charged in arrears instead of in advance. There is no minimum fee. If termination occurs during the quarter, or the liquidation of assets that are not reinvested and sent back to the client, the Firm will reimburse the client for unearned pro-rated fees. Collection procedures of fees vary by client agreement.

The Firm may also receive a performance-based allocation. Each IMA has a negotiated return hurdle at inception. At the negotiated interval, a return is calculated based on current investment values. AgIS is eligible for a negotiated percentage of any excess hurdle return payable with a negotiated percentage at measurement and other defined intervals, with the remainder collected at dissolution of all investments.

The Firm imposes a minimum investment commitment of \$100,000,000 to open an account. However, these minimums are negotiable and can be waived at our discretion.

The Firm uses an affiliated company AgIS Property Management LLC ("APM") as a property manager. The level of services and the associated fees for those services will depend on whether the property is an active or passive investment, as further explained in Item 4. These services and the fees associated with them may include but are not limited to, the following:

Property Management Services: The following property management services will be delivered for all investment portfolios:

- **Property Transition and Set-up** - after closing the investment, APM will work in coordination with AgIS Acquisitions to establish the investment on the property management platform. This will include assembling maps, tax parcels, leases, tenant information and analysis, FSA and NRCS reporting, drainage and irrigation information, property survey and appraisals, property and crop history, initial capital and operating budgets and environmental concerns.
- **Financial Reporting** - APM will develop property-level capital and operating budgets from the approved investment model, approve and monitor actual spending and variances to budget, direct and monitor approved capital expenditures, provide property-level information to AgIS Accounting for the development of quarterly client reporting.
- **Cash Management** - APM will maintain the necessary bank accounts with the appropriate controls and procedures needed to safeguard the liquid assets. There will be multiple bank accounts in order to appropriately record and regulate the investment cash.
- **Compliance Matters** - APM will monitor tenants' financial information and insurance programs, general lease compliance, farming practices (irrigation program, fertilizer program, yields, etc.), water usage, NRCS farm plan adherence, orchard health and other property-level matters.
- **Physical Presences** - APM will perform routine site visits and inspections, serving as a point of contact for vendors, government agencies, lessor, lessee, landowner and neighbors/local community, review and approval of all completed capital expenditures.
- **Insurance Coverages** - APM will provide: Commercial General Liability - \$1,000,000 to \$2,000,000, Automobile Policy - \$1,000,000 and Workers' Compensation Policy - \$1,000,000. On a case by case basis, APM may take additional coverage at the property level that would be an investment expense.

If APM is also responsible for farming operations, additional property management services would include but not be limited to: development, overall asset maintenance such as pruning, irrigation programs, overall cultural practices such as fertilizer and chemical programs, frost protection, harvest and commodity marketing. As is customary in the industry, all farm machinery and equipment will be leased or owned in the name of the investment or a client related entity. If the client chooses to

terminate the APM relationship, the equipment will be needed to continue to operate the assets. APM is responsible for the purchase or leasing of the machinery and equipment as well as the safety training of the operators of the equipment.

Fixed Fee: Property management services will be billed based on net acres under management at a fixed rate of up to \$200 per net acre, subject to an annual minimum fee.

One-time Fee: A one-time established fee may be charged to help defray the set-up cost of APM if entering a new market.

Expense Allocation: All expenses related to the farming operations of the properties will be allocated at cost to the investment platform. Property level expenses would include but not be limited to: Personnel costs such as salaries, benefits, payroll service fees, travel, phones; Labor contractor costs for pruning and harvest; Crop inputs such as fertilizer, herbicides; and Marketing Costs.

Utilizing APM as the property manager presents a conflict of interest and gives AgIS and its supervised persons incentive to recommend APM based on the compensation received, rather than on a client's needs. To address concerns about conflicts, commencing in 2019, AgIS has engaged an independent consultant known in the agriculture industry to generate a report which benchmarks the APM fees to the industry average. This report will be commissioned every 2 years.

AgIS has an incentive to recommend an active investment strategy over a passive investment strategy based on the additional compensation AgIS or its affiliates receives for an active management strategy, rather than a passive investment strategy.

These property management fees are likely to impact the overall performance of an investment.

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

As noted in **Item 5 - Fees and Compensation**, AgIS has entered into performance fee arrangements with qualified clients: such fees are subject to individualized negotiation with each such client and are typically calculated as a percentage of the cash flows earned and/or valuations in excess of a specified "hurdle" rate. AgIS' clients are generally charged both a negotiated asset-based fee and an additional negotiated performance fee. Since both types of fees are charged to each account AgIS manages, AgIS does not believe any inter-account conflicts are raised by such fees.

In addition, we follow a disciplined investment allocation process. If an investment is deemed suitable for only one of our accounts or is an "add-on" to an existing investment, it is allocated to that account. If a prospective investment is deemed suitable for more than one of our clients, the investment will be offered on a rotating basis to each client.

Item 7 Types of Clients

AgIS' clients consist of institutional clients. The Firm imposes a minimum investment commitment of \$100,000,000 to open an account. These minimums are negotiable and can be waived at our discretion.

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

AgIS acquires and manages farmland properties and interests in related operating companies for institutional clients. The Firm has a long-term investment time horizon.

AgIS takes a broad approach to the sector-leveraging the Firm's experience, global networks and creativity in deal-structuring and asset management to identify, execute and successfully operate farmland and farmland-rich enterprises that are outside the reach and conception of others.

The Firm's investment approach focuses on exploiting inefficiencies and dislocations within the agricultural sector to position our clients to succeed. We believe the Firm's unique perspective and experience allows us to create value where others fail to see or embrace opportunity. AgIS takes a highly disciplined approach to investing by:

- Researching industries to identify market targets,
- Engaging in strategic partnerships with commodity processors and marketers to execute quality acquisition and re-structuring opportunities,
- Seeking large, vertically-integrated investment transactions that can be fully or partially liquidated by de-linking farmland and related infrastructure assets,
- Approaching the market without self-imposed geographic, structural, deal size or portfolio constraints, and
- Tapping our extensive networks of relationships to identify early-stage and "greenfield" opportunities.

AgIS uses fundamental analysis, which entails a general assessment based upon various factors including sale price, asset value, market structure, and history. AgIS will analyze the financial condition and capabilities of its investments, as well as the investment's markets and position amongst its competitors in order to determine the recommendations made to clients. The primary risk in using fundamental analysis is that while the overall health and position of an investment may be good, market conditions may negatively impact the investment.

While AgIS' structure allows it to efficiently identify, monitor and minimize risk associated with agriculture investments, there can be no assurances that loss will not occur. *In considering the performance of investments in agriculture, prospective agriculture investors should keep in mind that prior performance of the Firm's investments is not indicative of future results, and there can be no assurance that AgIS will achieve comparable results in the future.* Examples of risks include, but are not limited to the following:

General Economic and Market Conditions. An investment in agriculture is subject to the risks inherent in real estate investments generally. These risks include adverse consequences resulting from the availability of capital, changes in tax laws and accounting principles, applicable regulations and reserve requirements, national and international events, energy supplies, the federal government's economic and fiscal policies, interest rates, environmental, health and safety laws, competition with non-real estate alternative investment opportunities in the capital markets, energy and transportation costs, casualty and condemnation risks, acts of God, market expectations about future prices, the volatility of such prices, increases in costs of construction materials, government regulations and trade restrictions (including taxation and price controls), and local and international political and economic conditions.

Liquidity. Investments in farmland are considered to be illiquid and may be difficult to value. Illiquid holdings also may be difficult to sell, both at the time or price desired.

Leverage and Other Factors Related to Borrowing. To the extent leveraging occurs, it could increase the exposure to larger losses, since leveraged investment vehicles may be required to make fixed payments on specific dates regardless of the lack of liquidity of their respective assets or the receipt of revenues.

Item 9 Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of AgIS or the integrity of AgIS' management. The Firm and its management personnel have no reportable disciplinary events to disclose.

Item 10 Other Financial Industry Activities and Affiliations

Although not usually included in the category "Financial Industry", we consider property management services to fall into this category in relation to the investment services provided by AgIS.

AgIS Property Management LLC ("APM") is a wholly-owned subsidiary of AgIS Capital LLC and provides property management services as described in Item 5. AgIS contracting APM as the property manager presents a conflict of interest and gives AgIS and its supervised persons an incentive to recommend APM based on the compensation received, rather than on a client's needs.

These conflicts are mitigated by a variety of factors, including the following: (1) AgIS's fiduciary obligations to act in the best interest of its clients, (2) AgIS and APM oversight by an Advisory Committee/Board Oversight, and (3) AgIS periodic oversight and review of service providers, including APM.

Jeffrey A. Conrad has several farm/ timber tracts in Pennsylvania and Delaware as personal investments. The total holdings are less than 5,000 acres of land. He purchases, subdivides and sells land in this area. He does not believe this is a conflict as AgIS does not buy properties in the state of Pennsylvania and Delaware and these holdings are much smaller in value than anything that AgIS purchases on behalf of clients. These tracts are generally under \$3 million dollars and AgIS' target market is generally \$10 million or more.

Jeffrey A. Conrad has interest in rental housing assets in Central PA as personal investments. This investment does not conflict with AgIS as the firm does not invest in rental housing assets.

Kenneth L. Warlick owns a family farm in Texas that has been cash rented to the same independent third party operator for more than 10 years. Additionally, Kenneth L. Warlick owns farm acres in North Carolina that are also cash rented to an independent third party operator. The Firm does not believe that these are a conflict of interest as the farms are rented to a third party and do not fit the profile of an investment that AgIS would make for clients.

The Firm does not believe that this is a conflict of interest as the farm is rented to a third party and does not fit the profile of an investment that AgIS would make for clients.

Item 11 Code of Ethics

AgIS has adopted a code of ethics ("Code") pursuant to Rule 204A-1 under the Investment Advisers Act of 1940 (the "Advisers Act"). The Firm's Code obligates all its partners and employees ("Access Persons") to put the client's interest over their own. The purposes of the Code are to (i) educate Access Persons about the laws governing their conduct, (ii) remind Access Persons that they are in a position of trust and must act with complete propriety at all times, (iii) guard against violation of the federal securities laws, (iv) protect the Firm's clients by deterring misconduct, and (v) establish procedures for Access Persons to follow so that we can assess whether our Access Persons are complying with our ethical principles. All Access Persons must certify that they have received, read and understand our Code, annually or as amended.

The Firm's Chief Compliance Officer monitors compliance with the Code by reviewing the required initial, quarterly and annual reporting by Access Persons.

Potential or existing Firm clients may request a copy of the Code by contacting Carolyn M. Bailey, our CCO, at 617-350-9894 or cbailey@agiscapital.com.

While they are not securities Mr. Conrad and Warlick have real estate interests as stated in Item 10.

Item 12 Brokerage Practices

While Item 12 is not typically applicable to AgIS, given the fact that client investments are in agriculture, there are situations whereby clients may obtain debt securities and warrants as part of the total transaction. When such a situation arises AgIS may, on a case by case basis, have discretionary authority to determine the broker or dealer to be used to purchase or sell securities for a client account.

AgIS does not participate in any soft dollar arrangements.

Item 13 Review of Accounts

Each individual investment is generally reviewed at least quarterly by the investment team comprised of the Principals of the Firm, though significant events such as changes in assets, major market movements or macroeconomic events, legal or regulatory developments, a change in business structure, substantive personnel changes at the investment-level and revised investment terms can trigger an immediate review of an investment. Each client's account is monitored regularly for performance, adherence to investment strategy, changes in personnel, current positioning and outlook, and risk management.

Item 14 Client Referrals and Other Compensation

AgIS receives no additional compensation for referrals. However, the Principals of AgIS are compensated through APM as described in Item 5. Utilizing APM as the property manager presents a conflict of interest and gives AgIS and its supervised persons an incentive to recommend APM based on the compensation received, rather than on a client's needs.

Item 15 Custody

We are deemed to have custody of clients' cash and/or bank accounts due to our affiliation with the property manager, APM, since APM has access to our clients' funds. Assets of our clients are held in the name of the client by an independent qualified custodian, or are private, un-certificated securities recorded on the books of the issuers in the name of the client. While APM has the ability to process payments from client accounts, we approve all cash disbursements. Monthly bank statements by the bank are made available to clients. All client investment entities are audited by an independent audit firm and the audited financial statements are distributed to the account owner. Although client IMAs allow for the Firm and APM to have custody of cash and securities, at this time, both only have custody of cash.

Clients should carefully review and compare the custodian's statements with any statements provided by AgIS or APM.

Item 16 Investment Discretion

The level of investment discretion granted to AgIS, if any, with each separate account is identified in the investment management agreement associated with the relationship. AgIS will manage both discretionary and non-discretionary accounts. AgIS may have the authority to determine the assets to be purchased and sold for the client account (subject to restrictions on its activities set forth in the applicable investment management agreement and any written investment guidelines) and the amount of securities to be purchased or sold for the client account.

In the event that a new limited investment opportunity is equally suitable for and satisfies the investment objectives of more than one Client, AgIS shall allocate such opportunity in a fair, equitable and unbiased manner. In allocating limited investment opportunities, AgIS shall not favor proprietary accounts or performance-based accounts over other Client accounts. However, discretionary accounts are given priority in the investment allocation process. If there are more than one such discretionary client, AgIS will allocate opportunities on a rotation basis.

Item 17 Voting Client Securities

This Item 17 is not applicable to AgIS.

Item 18 Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about AgIS financial condition. AgIS has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.