

## Item 1 – Cover Page



# LIND CAPITAL PARTNERS, LLC

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March 30, 2021

This brochure provides information about the qualifications and business practices of Lind Capital Partners, LLC (“Lind”). For any questions about the contents of this brochure, please contact Lind’s Chief Compliance Officer at either (312) 878-3827 or via email to David M. Murdoch at [david.murdoch@lindcapitalpartners.com](mailto:david.murdoch@lindcapitalpartners.com). 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 Lind is also available on the SEC’s website, [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Registration as an investment adviser does not imply a certain level of skill or training.

## **Item 2 – Material Changes**

The following material changes were made to this brochure since our last annual amendment on March 30, 2020:

- Item 18 has been updated to disclose Lind’s participation in the Paycheck Protection Program (“PPP”) Loan program.

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## **Item 4 – Advisory Business**

### **Background and Ownership**

Lind Capital Partners, LLC (“Lind”) was founded in 2008. Lind is employee-owned by J. Robert Lind, Jr. and David M. Murdoch.

### **Advisory Services**

Lind provides investment advice primarily on fixed income securities. Lind focuses on municipal securities issued by states, local governments and their agencies, authorities’ and instrumentalities. Municipal bonds are subject to risks generally associated with fixed income securities as described under Item 8 of this brochure. Lind provides the following services to clients:

### **Discretionary Portfolio Management Services: Affiliated Private Funds (the “Private Funds”) and Separately Managed Account (“SMA”)**

Lind manages portfolios comprised of high yield tax-exempt municipal bonds and certificates of participation, with a focus on providing high current income for one or more private funds (to whom Lind is the Investment Manager) and for the firm’s SMA clients.

The investment goal and objective of the Private Funds and SMA client portfolios is to seek high current income exempt from regular U.S. federal income tax, primarily by investing in tax-exempt municipal securities. Capital appreciation is an additional investment objective for both the Private Funds and SMA client portfolios.

### **Private Funds**

Lind serves as the investment manager of Backcountry Investment Partnership L.P. and Backcountry Investment Partnership 3, L.P. (the “Private Funds”). *Any reference to the Private Funds within this Form ADV Part 2A shall not constitute an offer to sell or the solicitation of an offer to buy interests in the Private Funds.* A private placement of securities may only be made in conjunction with the Private Fund’s offering documents.

### **Separately Managed Accounts (SMAs)**

Lind also provides advice to individual high net worth clients, corporations or other business entities through separate account management. Portfolio management is provided based on each client’s unique investment goals, objectives, tolerances for risk and client-imposed restrictions, if any. Services are typically provided on an investment discretionary basis (please see Item 12), therefore Lind generally assumes responsibility for day-to-day management of SMA client portfolios of investments. Clients are advised to promptly notify Lind if there are changes in their financial situation or investment objectives. Lind does not provide tax or legal advice. Clients can

place reasonable restrictions on Lind's investment discretion, including duration, concentration, geographic restrictions, rating, among others. Investment restrictions are documented in the agreement Lind has with each client and these may be revised from time to time. Revisions to investment restrictions are required in writing and are not implemented until agreed to by Lind, subject to an implementation period determined in Lind's discretion following discussion with the client.

### **Non-Discretionary Portfolio Management Services**

On a limited basis, Lind provides non-discretionary investment services and presently has the responsibility to manage a portfolio of municipal securities for one such client. Through regular meetings with the client, Lind reviews the holdings of the portfolio and makes recommendations for changes to the portfolio, if necessary, based on Lind's knowledge and expertise. The terms of Lind's services are contained in the investment management agreement between Lind and the client.

For each trading day, we issue the client a report of the account that demonstrates, within stated investment guidelines and objectives, the securities held in the account, income and other related information requested by the client. The client's investment guidelines allow Lind to purchase and sell municipal securities for the client within these specific guidelines.

On other transactions, Lind will seek out or notify the client of the proposed transactions before execution consistent with the client's approval for the transaction.

Lind places orders with underwriters or secondary market dealers on behalf of this non-discretionary client.

### **Consulting / Research Services**

Upon request, Lind provides customized research, portfolio management recommendations or related services for an asset based or fixed fee. There is no standard description of these services as they are customized for each client who requests the service.

Total Assets Under Management (as of December 31, 2020): \$200,932,258

Discretionary: \$100,932,258

Non-Discretionary: \$100,000,000

## **Item 5 – Fees and Compensation**

### **Portfolio Manager to Private Funds**

As a portfolio manager of the Private Funds, Lind is paid a monthly fee (in arrears of the service) as described in each fund's investment management agreement entered with each fund's GP and Lind. The management fee for each fund is 1.00% per year, billed monthly to each limited partner's capital account as calculated by the Private Funds' third-party administrator.

Lind does not receive a performance-based fee from the Private Funds. The General Partners, Lind GP 2 LLC and Lind GP 3 LLC, are both entities owned and controlled by Lind and its two principal owners and officers.

Operating expenses of Backcountry Investment Partnership, L.P. are capped at 0.25% (twenty-five basis points) per annum of the assets under management. Backcountry Investment Partnership 3, LP operating expenses are capped at 0.25%, beginning January 1, 2018 and are amortized, with monthly installments over a five-year period. Refer to the private offering documents for each Private Fund for complete disclosures with respect to the Private Funds' fees and expenses.

### **Separately Managed Accounts (SMAs)**

The standard fee schedule for discretionary SMA clients is an annual fee of 0.75% of the client's invested assets under management billed quarterly in arrears.

Fees are negotiable depending on the size and nature of the portfolio, and Lind may, in its discretion, charge lower management fees or waive management fees for SMA clients, depending on the complexity of the management style and type of securities and whether clients are related persons of Lind. Advisory fees are payable quarterly in arrears and may be paid either by invoice, with payment made by check, wire or ACH or they may be debited directly from the client's account if so authorized in the agreement with each client.

For clients paying by invoice, payment is due within 30 days of the date of the invoice.

Partial Periods, Contributions or Withdrawals: In any partial calendar quarter, the advisory fee will be pro-rated for the number of days that the account was open during the period. Adjustments to the quarterly billing may be made due to additions or withdrawals to the account or for significant changes in the invested assets due to purchases or sales during the period.

Cash: Lind does not charge its advisory fee on cash balances held in a client's account.

### **Non-Discretionary Portfolio Management Services**

Fees charged for non-discretionary portfolio management services are negotiated based on the customized nature of the services. Typically, the fees charged are a combination of a fixed fee for a defined time and an incentive fee (or performance-based fee), billed annually (as defined in the agreement with a client). Fixed fees and the performance-based fee vary and are negotiated with each client. Lind will only negotiate a performance-based fee structure when it is permissible under regulatory requirements to do so. Refer to Item 6 for details.

Lind does not have a standard fixed or performance-based fee schedule for non-discretionary portfolio management services.

### **Consulting / Research Services**

Fees for this service are not standardized. Due to the nature of the service, including client meetings, reporting, etc., the fee is negotiated between Lind and each client requesting this service. Fees can be fixed (an annual fee, billed monthly or quarterly in arrears), a percentage of assets under management or a combination of a fixed or a percentage of assets under the management fee. There is no standard advisory fee for this service; the exact fee is documented in the written agreement between Lind and each client.

### **General Disclosures Regarding Services and Fees**

Private Funds: Please see the Confidential Private Placement Memorandum for complete details on capital contributions, capital redemptions and limitations, if any, the GP may impose on members / limited partner investors.

Separate Accounts, Non-Discretionary Portfolio Management and Consulting Services: Either party to the agreement may terminate the agreement by providing 30 days advance written notice to the other party. Upon termination, services provided by Lind cease, existing transactions can settle, and no further advice is provided. Lind will issue a final invoice and direct debit its fee from the client's custodian, or if the client prefers to be invoiced and paid by check, a final invoice is delivered to the client. Payment is requested within 30 days of the date of the invoice.

In addition, Lind will cooperate and facilitate the transfer of account assets in coordination with the client.

Pro-ration of advisory fees: For accounts or relationships opened or closed during a calendar quarter, advisory fees are pro-rated for the number of days during the quarter that advisory services are provided. As Lind charges advisory fees in arrears of the service, a pro-rated refund of pre-paid and unearned fees is not applicable.

### **Additional Fees and Expenses**

Lind's advisory fees charged to clients (Private Fund, Separate Accounts, Non-Discretionary portfolio management) do not include the following fees and expenses listed below that a client will pay to third parties including brokerage, custodial and related fees. These additional expenses include and are not limited to the following:

- Brokerage commissions and/or ticket charges (or markups / mark-downs) for municipal transactions when executed by a dealer or through a new issue (as applicable), i.e., transaction fees.
- Custodial services (these are charged to each client by custodian).
- Sub-agent transfer fees (shared between broker dealers).
- SEC or exchange fees.
- Transfer taxes.
- Wire transfer and electronic fund processing fees.
- Mailing / overnight express delivery.

Private Fund investors also pay a pro-rated portion of the fund's expenses, including auditor, administrator, and related services. Refer to the private offering documents for each Private Fund for complete disclosures with respect to the Private Funds' fees and expenses.

Other expenses as described in Item 12 of this brochure.

#### Services provided to employees, family members and friends of the firm

Lind reserves the right to negotiate its fees with its clients, including limited partner investors in the Private Funds. Fees on certain employee, family and affiliated entity separate accounts and Partnership investments have been waived. Such waiving is granted at the discretion of firm management.

Lind's only remuneration for managing client assets is the management fee described above. Neither Lind nor any of its supervised persons accepts compensation for the sale of securities or other investment products.

#### **Valuation**

Lind typically uses ICE Data Services, a pricing service, to determine a fair value for fixed income securities owned by the Private Funds and SMA clients based on current market quotations and the price that Lind believes would likely be obtained upon a sale of the bond in the current marketplace. Lind typically invests in unrated municipal bonds, or those rated up to BBB for the Private Funds and SMA clients. For Lind's non-discretionary client (i.e., consulting), we primarily recommend investment grade bonds – where the client determines which to purchase and / or sell.

In certain situations, Lind determines the fair value for securities owned by the Private Funds or SMA clients. Examples of this include if the pricing service does not provide a price for a particular security or when Lind determines that the price provided by the pricing service is not what Lind believes would likely be obtained upon a sale of the bond in the current market place. In such cases, the fair value determined by Lind may be higher or lower than the price quoted by an independent pricing service or custodian of the Private Fund or SMA account assets. For example, pricing services may not revise their prices to reflect trades in securities that are below a certain dollar amount. Lind believes that by considering current trades in smaller bond lots, it can determine a fair value that more accurately reflects the price that a Lind client could obtain upon the sale of a security. There is no guarantee that a client will receive the fair value price upon a sale of a security. Lind may use fair valuation for purposes of preparing performance reports to clients and calculating its advisory fees.

Revisions either up or down on a bond's price (through fair valuation and / or internal pricing models) create a conflict of interest because Lind's advisory fees also would increase. To address this conflict of interest, Lind has adopted written good faith pricing guidelines.

Given Lind's use of ICE Data Services as the firm's primary pricing service, there may be differences between a bond's price as reported on the client's custodial statement and the price used by Lind for

purposes of client reporting and advisory fee calculation. As described in the above paragraph, Lind evaluates individual security prices and at Lind's sole discretion, price adjustments may be made consistent with Lind's good faith pricing guidelines. Examples of reasons for price adjustments on individual securities include, but may not be limited to: order size differentials, liquidity, credit events and trade volumes among others. Each month, on the last business day, Lind prices all securities held in client accounts through ICE. Lind reviews each security and compares prices of the internal trade models generated by Lind. Adjustments may be made by Lind based upon the analysis of the security prices, and such price adjustments may be made up or down for a specific security based on the criteria described here.

Refer to the private offering documents for each Private Fund for complete disclosures with respect to Valuation. For the SMA and Non-Discretionary clients, clients should refer to their advisory agreement for additional details.

### **Non-Discretionary Portfolio Management**

For the firm's non-discretionary client, Lind provides input into the prices of the securities in the account, however, the client takes the input and determines the final prices of the securities, the totals and related performance of the account assets.

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

Lind receives a performance-based fee of approximately 15% to 25% of the net profits generated from a customized version of Lind's investment strategy implemented on behalf of an institutional client that meets the definition of a "qualified client".

Performance-based fee arrangements create an incentive for Lind to make riskier, more speculative investments than would be the case in the absence of a performance fee. Lind, however, does not believe that its performance-based fee arrangement creates a conflict of interest with its asset-based fee clients because the investment strategies for the performance-based fee account differs from the strategy employed by Lind on behalf of its other client accounts, and focuses on investment grade tax-exempt and taxable municipal bonds, while its strategy for asset-based fee SMA clients focuses on high-yield tax-exempt municipal securities.

## **Item 7 – Types of Clients**

Lind primarily provides investment advisory services to high net worth individuals, business entities, other registered investment advisers and private funds.

Lind generally requires a minimum account size of \$2,000,000 for separately managed accounts (discretionary and non-discretionary); however, this minimum account size may be waived or lowered in our discretion based on the character of the account. These minimums will generally not apply to wrap or other wire house consulting accounts which tend to have lower thresholds. The Private Funds have a minimum initial and subsequent investment amount, which is fully

described in each fund's private offering documents.

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

### **Methods of Analysis**

Lind's investment analysis methods include fundamental and technical analysis. Lind utilizes financial newspapers and magazines, site inspections; interviews with issuers, research materials prepared by others, annual reports, prospectuses and filings with the SEC, and issuer press releases, among other items, as part of the research process. In addition, Lind examines legal documents (e.g., mortgage documents and trust indentures) relating to municipal bond issues.

### **Investment Strategy**

Lind's approach to asset management emphasizes current income by primarily investing in high-yield, high-risk bonds, government agency instruments, money market funds, and cash or cash instruments.

The objective of investing in high-yield bonds is to allow client portfolios to generate income. Taxable clients benefit from municipal bond income because it is not taxed by the Federal government (although the Alternative Minimum Tax may apply). If a municipality in which the client is domiciled issues the bond, the client's income from that bond may also be exempt from state and local taxes.

The municipal bonds that Lind analyzes and recommends typically are unrated high-yield securities. These bonds typically pay a higher rate of interest than rated bonds. The term unrated, in Lind's view, does not necessarily imply that a bond's issuer is not credit-worthy. Sometimes the size of a bond issue is too small to afford the cost of being rated by a rating agency. The price of an unrated bond is generally based upon the current market conditions for other traded securities of similar size, credit quality and denomination that have a similar purpose. These market valuations are influenced significantly by the fact that the securities are unrated, infrequently traded in large denominations, and other factors.

Unrated municipal bonds that Lind focuses on are typically not general obligations of the municipality issuer, but are special, limited obligations of an obligor of the funded project. The bonds will not carry a rating from any rating service. From time to time, Lind may recommend unrated municipal bonds that are issued without registration under the provisions of the Securities Act of 1933, as amended ("Securities Act"), or any state laws. These bonds are recommended to clients who are "accredited investors" as the term is defined in Rule 501 of Regulation D promulgated under the Securities Act, and a "qualified institutional buyer" as the term is defined under Rule 144A of the Securities Act.

Lind recommends such bonds for clients for long-term investment without a current view to any distribution or sale of the bonds. Transfer of these bonds may be restricted to an accredited investor and / or qualified institutional buyer in accordance with the conditions set forth in Rule 144A. As with all investments, unrated municipal bonds bear risks for an indefinite period and

any sale prior to maturity may not be possible.

Municipal bonds are typically longer-term fixed-rate bonds with maturity dates of 10 years or more. The long-term nature of the bonds magnifies the sensitivity of bond prices to changes in market interest rates.

### **Principal Investment Risks**

For fixed income securities (e.g., interest rate risk, credit risk, change in rating risk, etc.). In addition, a municipal bond's value could also be affected by legislation and other political events. Lower-rated municipal bonds are subject to greater risk than higher-quality municipal bonds.

### **Investing in securities involves risk of loss that all clients should be prepared to bear.**

Risk refers to the possibility that one will lose money (both principal and earnings) or fail to make money on an investment. Lind cannot guarantee that it will achieve a client's investment objective. Certain specific risks related to securities recommended by Lind are set forth below.

#### **Fixed Income Securities Risk:**

- **Credit Risk:** The issuer of a fixed income security may not be able to make interest and principal payments when due. Generally, the lower the credit rating of a security, the greater the risk that the issuer will default on its obligation.
- **Issuer Risk:** The value of a fixed income security may decline due to many reasons relating to the issuer or the borrower or their industries or sectors. This risk is heightened for lower rated fixed income securities or borrowers.
- **Change in Rating Risk:** If a rating agency gives a debt security a lower rating, the value of the debt security will decline because investors will demand a higher rate of return.
- **Interest Rate Risk:** As nominal interest rates rise; the value of fixed income securities is likely to decrease. A nominal interest rate is the sum of a real interest rate and an expected inflation rate.
- **Municipal Securities Risk:** The value of municipal obligations can fluctuate over time, and may be affected by adverse political, legislative and tax changes, as well as by financial developments that affect the municipal issuers. Because many municipal obligations are issued to finance similar projects by municipalities (e.g., housing, health care, water and sewer projects, etc.), conditions in the sector related to the project can affect the overall municipal market. Payment of municipal obligations may depend on an issuer's general unrestricted revenues; revenue generated by a specific project, the operator of the project, or government appropriation or aid. There is a greater risk if investors can look only to the revenue generated by the project. In addition, municipal bonds generally are traded in the "over-the-counter" market among dealers and other large institutional investors. From time to time, liquidity in the municipal bond market (the ability to buy and sell bonds readily) may be reduced in response to overall economic conditions and credit tightening. During

times of reduced market liquidity, a client's portfolio may not be able to sell bonds readily at prices reflecting the values at which the bonds are carried. Sales of large blocks of bonds by market participants that are seeking liquidity can further reduce bond prices in an illiquid market. It is not possible to predict whether such cycles of market's lack of liquidity may be short-term or may continue over a protracted period. Municipal securities are also subject to the risk that legislative changes and local and business developments may adversely affect the yield or the value of a client's investment in such securities.

- **Duration Risk:** Prices of fixed income securities with longer effective maturities are more sensitive to interest rate changes than those with shorter effective maturities.
- **Prepayment and Extension Risk:** As interest rates decline, the issuers of securities may prepay principal earlier than scheduled, forcing a reinvestment in lower yielding securities. As interest rates increase, slower than expected principal payments may extend the average life of fixed income securities, locking in below-market interest rates and reducing the value of these securities.
- **Premium/Discount Risk:** When a client's portfolio invests in a fixed income security at a premium to its face value, it will be subject to the risk that the entire coupon (interest rate) may be paid out as a dividend. Over time, the premium on the fixed income security declines as it approaches maturity. At maturity, the market price of a fixed income equals its face value. The declining premium lowers the value of the security in the client's portfolio. Thus, the client's portfolio may have attained a higher payout over the life of the fixed income security, but at the expense of erosion in the value of such security over time.
- **"Junk" Bonds:** A client's portfolio may be subject to greater levels of interest rate and credit risk because of investing in high-yield securities and unrated securities of similar credit quality (commonly known as "junk bonds") than client portfolios that do not invest in such securities. These securities are considered predominately speculative with respect to the issuer's continuing ability to make principal and interest payments. An economic downturn or period of rising interest rates could adversely affect the market for these securities and reduce the client's ability to sell these securities (liquidity risk). If the issuer of a security is in default with respect to interest or principal payments, the client's portfolio may lose its entire investment.
- **Tax Risk:** To be tax-exempt, municipal securities must meet certain legal requirements. Failure to meet such requirements may cause the interest either received or distributed to clients to be taxable. Changes or proposed changes in federal tax laws may also cause the prices of municipal securities to fall. The federal income tax treatment of payments in respect of certain derivatives contracts is unclear.

**Cybersecurity Risks:** Cybersecurity incidents may allow an unauthorized party to gain access to customer data, or proprietary information, or cause an advisor, and/or other service providers (including custodians and financial intermediaries) to suffer data breaches, data corruption or loss of operational functionality.

#### **Investment Strategy – Other**

Investment strategies and risks for consulting and non-discretionary accounts are determined on a case-by-case basis in consultation with the clients.

## **Item 9 – Disciplinary Information**

Neither Lind nor its employees have been involved in any legal or disciplinary events in the past 10 years that would be material to a client's evaluation of Lind or its personnel.

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

Lind is registered as an investment adviser with the U.S. Securities and Exchange Commission. This is Lind's only registration.

Lind and its executives may engage in business relationships with advisory clients, investors in the Private Funds and family members. Lind may also approve an outside business activity for its principals or employees, if approved by the CCO in advance of the activity.

Although Lind's principals and employees do not engage in other outside business activity, the principals are the sole members of two special purpose vehicles (general partners) established for each Private Fund. The role of the GP to the Funds is an activity that is in addition to the portfolio management services provided by Lind as investment adviser to the Private Funds:

- The Backcountry Investment Partnership has as its GP, LCP GP 2, LLC;
- The Backcountry 3 Investment Partnership has as its GP, Lind GP 3, LLC.

Lind mitigates conflict, in part, through Item 12 disclosures in this brochure and internal policies and procedures, including:

- Routine brokerage monitoring and evaluation, including best execution assessment,
- Lind's standards of conduct and code of ethics, and
- Through disclosure in the private offering documents for the Private Funds and in SMA client advisory agreements.

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

### **Code of Ethics**

Lind has adopted a Code of Ethics for its employees, as required by Rule 204A-1 under the Investment Advisers Act of 1940, as amended (the "Advisers Act"). The Code of Ethics applies to all of Lind's employees and covers the following topics applicable to Lind and Lind's fiduciary obligations to all clients. Included in the Code is the following information.

Standards of Conduct – Lind’s expectations of and personal responsibility for compliance with the Policies and Procedures, including the Code. A summary of the Code and these standards of conduct include:

- Placing the client’s interests before those of Lind or any employee.
- The prohibition on using information for personal or company benefit through the individual’s position with Lind.
- Comply with the Code and its related procedures, including prohibitions on insider trading and personal securities transactions.
- Conflicts between Lind’s interests and those of clients are resolved in the favor of the client and are appropriately disclosed in this Form ADV, advisory agreements and the Private Fund documents.

Personal Securities – Investing in the same securities as clients presents a conflict of interest. To monitor and mitigate this, Lind’s Code of Ethics requires employees to do the following:

- Municipal Securities: Lind’s employees are limited to the purchase of municipal securities through the Private Funds or on a direct ownership basis only after obtaining pre-approval from Lind principals. The sale of municipal securities also requires Lind principal pre-approval. Principal pre-approval takes into account any potential conflicts with existing clients.
- The Code of Ethics also requires Lind employees to report their personal securities holdings and transactions and obtain pre-approval of initial public offerings and limited offerings. Personal securities transactions are to be reported to the Chief Compliance Officer in accordance with the requirements outlined in the Code of Ethics and personal trading is periodically monitored in order to reasonably prevent conflicts of interest between Lind and its Clients. Lind employees 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 firm’s policies and procedures.
- Employees are required to report personal securities transactions to the Chief Compliance Officer in accordance with the reporting requirements outlined in the Code of Ethics and personal trading is periodically monitored in order to reasonably prevent conflicts of interest between the firm and its clients.

Insider Trading prohibitions – As required by Section 204A of the Investment Advisers Act of 1940, the Code prohibits any employee from taking any action for any person (client, employee, personal account, or communicating this information to any person) if Lind is in possession of material, non-public information on any issuer of a security, i.e., material non-public information. The Code prohibits:

- Disclosure of material nonpublic information to any person or use of such information (for clients, personally or otherwise) until such time the material is available to the general investing public.
- Keep all such material confidential and do not communicate the information to any person

(other than the CCO, including family members, third parties or using such information for clients or for the firm).

You may obtain a copy of Lind's Code of Ethics by contacting David Murdoch at (312) 878-3827.

## **Item 12 – Brokerage Practices**

### **Recommending Brokerage Firms and Best Execution, Discretionary Brokerage**

Typically, clients authorize Lind to select broker-dealers to execute transactions in clients' accounts and to negotiate price and / or commission. In selecting a broker-dealer for each specific transaction, Lind uses its best judgment to choose the broker-dealer that Lind believes is most capable of providing the best available price and most favorable execution reasonably obtainable under the circumstances.

The broker-dealer executing the client's order charges each client a commission to execute transactions in the customer's account. The broker-dealer, not Lind, determines the standard commission rate charged to Lind's clients and, while Lind believes it, recommends only those broker-dealers whom it believes are competitive, transactions may not always be executed at the lowest available commission rate.

With respect to fixed income transactions executed by Lind through approved brokers (as approved by Lind), the broker-dealers determine, based on the commission schedule adopted by each broker-dealer and regulations which govern the level of the mark-up or mark-down assigned to bond transactions executed on behalf of clients of Lind. Such mark-up, or mark-downs must be within the guidelines for bond pricing / mark ups / downs approved by the broker-dealer and within regulatory accepted limits.

Lind typically considers the full range and quality of brokerage services when making this judgment. Such brokerage services may include:

- Electronic trading tools / automation.
- Capital strength and stability.
- Reliable and accurate communications and settlement processing.
- Knowledge of other buyers or sellers, i.e., liquidity.
- Administrative ability.
- Lack of trade errors.
- Settlement services, including the ability and willingness to execute step-out transactions, process delivery versus payment trades or settlement on a prime broker basis.

This does not include research services, as Lind does not have any so-called soft dollar relationships with any executing broker.

Lind's determination may be viewed in terms of either the transaction involved or the overall

responsibilities of Lind with respect to the accounts over which it exercises investment discretion.

Lind occasionally executes over-the-counter (“OTC”) securities transactions on an agency basis with a broker dealer or on a principal basis from a market-making broker dealer that then settles (is delivered to) a client’s account. Therefore, it is possible that a client will incur two transaction costs in a single transaction:

1. A principal mark-up, or mark-down for a purchase or sale of a bond at the market making / executing broker.
2. A commission charged by the client’s custodian to accept the principal trade into a client’s account – which is charged solely but the custodial broker dealer.

Lind will execute transactions on a principal basis at a market making broker dealer if Lind believes that in doing so the transaction is favorable compared to executing the purchase or sale on an agency basis at a broker dealer that does not make a market in the security.

### **Cross Transactions:**

Lind is not a securities broker dealer; as a result, Lind itself cannot cross trades between advisory clients, including the Private Funds and SMAs. There are times, however, when a security that is being sold for one client is an appropriate security for another client (new client, additional capital contribution for a client or Fund investor, etc.) To identify the executing broker, Lind places a “bid” out to several brokers. A bid is the process used by Lind to identify the broker that will pay the highest price for the bond, the “executing broker.” Depending on the trading volume, liquidity, price, yield and related factors, Lind assesses the highest price bid on the bond. Lind may then suggest a price to the broker for the cross trade that is higher than the highest bid. The executing broker facilitates both the sale of the bond from client A and then crossing the security (purchase), the same bond, at the same price for client B. Lind uses client cross transactions to reallocate bonds across and among clients versus selling the bonds to the “street” (i.e., broker dealers). In all cases, there is a fee charged by the broker to facilitate both the sell and the purchase; these are at minimum ticket charges that can vary based on the size of the transaction (number of bonds). Minimum ticket charges can be based on a fixed price or as a percentage of the total bond price.

There are several situations that may incorporate a cross trade:

- **Liquidation:** Lind executes cross trades in client portfolios for a client who requested the liquidation of their portfolios. In such a case, Lind crosses bonds from a liquidating account to a client who has the cash and / or need for additional bonds in their account.
- **To Raise Cash:** A selling client requires cash and the buying client has the required cash to purchase the sold bonds.
- **Diversification:** If Lind is purchasing a new issue bond, the client’s included in the new issue purchase will have their current portfolio rebalanced. Rebalance means that Lind has determined that some or all of Lind’s clients can benefit by purchasing a new issue and

simultaneously selling portions of their current holdings to other Lind clients. A benefit of this action and activity is expanded diversification among client portfolios.

- **Tax Loss Harvesting:** If a client requests Lind to harvest tax losses (within taxable portfolios or accounts), there are risks associated with harvesting. Typically, these transactions can be crossed from the client requesting the tax loss harvesting to another account managed by Lind that has available cash to purchase the bond. When selling from one client and purchasing into another account is considered a cross transaction, Lind uses the services of a third-party broker dealer to facilitate the transaction.

### **Client-Directed Brokerage**

Clients can (and some do so) direct Lind to place all transactions for their managed account assets at their custodial broker dealer. In a directed broker situation, Lind:

- Does not have the discretion to pick a broker or dealer for account transactions as transactions are directed to the client's broker / custodian
- Does not have the discretion to negotiate commissions or price, especially when the broker is acting as principal for its own account; and,
- May not be able to aggregate block directed brokerage transactions with transactions for other clients who do not direct us to use a specific broker
- In all cases of directed brokerage, the client is solely responsible to negotiate commissions for fixed income transactions; and,
- Because of directed brokerage, the best execution of a client's transaction may not be achieved. By using directed brokerage, clients are removing from Lind trading expertise, including the inability to block transactions, negotiate price (and therefore commissions). As a result, directed brokerage clients may pay materially disparate commissions, greater spreads, price or other transaction costs or receive less favorable net prices on transactions for the account than would otherwise be the case. Costs may also vary from each directed broker used by a client.
  - In all directed brokerage cases, the client is solely responsible for the negotiation of commissions for agency transactions.
  - Note that markup or downs are guided by the Financial Industry Regulatory Authority (FINRA) and their standard guidance of a typical 5% mark-up or mark down guidance (an industry standard).

Lind will negotiate with the executing broker the commission charged to Lind's clients (for agency transactions) or price for principal transactions. Generally, Lind selects brokers or dealers that through Lind's experience, are known to charge competitive commissions or principal mark- up and markdowns as indicated by price (bid or ask). Transactions may not always be executed at the lowest available commission rate or price.

### **Block Trading / Order Aggregation**

Transactions for each client account occasionally are affected independently, but generally, Lind decides to purchase or sell the same securities for several client accounts simultaneously. When possible, orders for the same security may be combined or "blocked" to facilitate best execution and to allocate equitably among Lind's clients. This can facilitate an overall difference in prices

that might have been obtained had such orders been placed independently.

Accounts in which a related person or affiliate of Lind has a financial interest (“related accounts”) may participate in block transactions with Lind’s other advisory clients. Lind effects block transactions in a manner designed to ensure that no participating client, including any

related account, is favored over any other client. Securities purchased or sold in a block transaction are allocated pro-rata, when possible, to the participating client accounts in proportion to the size of the order placed for each account.

Lind may, however, increase or decrease the amount of securities allocated to each account if necessary, to avoid holding odd lot or small numbers of shares for clients. Additionally, if Lind is unable to fully execute a block transaction and Lind determines that it would be impractical to allocate a small number of securities among the accounts participating in the transaction on a pro-rata basis, Lind may allocate such securities in a manner determined in good faith to be a reasonable and fair allocation.

### **Trade Errors**

It is the goal of Lind to place transactions for client accounts without the transaction resulting in an error. However, errors may occur. If an error occurs, either Lind or the executing broker, or client's custodian will identify the error – typically the next day as the trade will not reconcile. Errors can occur due to incorrect instructions, typographical (clerical error) or others, for example a purchase that should have been a sale or an incorrect number, e.g., 100 bonds versus 1000.

In all cases, impacted clients by the error will be made whole in the case of a loss. The responsible party (Lind, the broker or custodian) will pay for such errors; if a shared responsibility, then each participant in the error will pay a portion of the error amount to the client’s account.

Trade errors are documented on a trade error report form, including the cause of the error; the initial transaction and the cancel rebill transactions necessary to correct the error and documentation of payments to the client in resolving the error. Lost opportunity may also be a factor, including transaction costs.

## **Item 13 – Review of Accounts**

J. Robert Lind and David M. Murdoch review all client accounts (fund and separate accounts) on a quarterly basis or more frequently if directed by a client. These individuals examine clients’ portfolios and compare the performance of the portfolio to a comparable index and client investment guidelines / objectives as communicated to Lind.

Reviews include an assessment of the major attributes of each portfolio such as yield, concentration of assets in sectors, total rate of return over several time periods, structure of assets compared to statement of investment objectives for each client.

SMA clients receive, directly from their custodian, a periodic report (monthly, but at least quarterly) with a copy provided to Lind. SMA clients also receive either quarterly or semi-annually, general commentary regarding the municipal bond market from Lind.

Funds: Investors in the Private Funds receive capital account reports directly from the third-party administrator of the Fund on a monthly or quarterly basis, in accordance with each Private Fund's offering documents. Capital account reports include the Private Fund's holdings, performance, credits and debits, including advisory fees paid to Lind.

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

### **Incoming Referrals**

Lind does not compensate any person (directly or indirectly) for client referrals.

### **Referrals of Other Professionals**

Lind may refer clients to other service professionals if requested or deemed necessary, based on the specific needs of the client. For example, Lind may refer clients to legal counsel or accountants. It is possible that these professionals will, in turn, make referrals of their clients seeking investment advice to Lind.

Regardless, there is no direct or indirect compensation payable to or received from the other party who may have a prospective client introduced by Lind to an attorney, certified public account or by these professionals to Lind.

Lind does not receive, directly or indirectly compensation from any third party relating to advisory services provided to clients.

## **Item 15 – Custody**

Lind does not accept physical custody of the client's securities or cash. All client assets are held in custody by a third party, independent and qualified custodian (i.e., broker-dealer, bank, insurance company or other qualified custodian as the Investment Advisers Act of 1940, as amended defines that term).

Lind is deemed to have custody because SMA clients typically grant Lind authority to deduct its advisory fees directly from the client's account as documented in the advisory agreement with each client. SMA clients receive account statements directly from their broker-dealer, bank or other qualified custodian on at least a quarterly basis. Lind urges clients to carefully review statements from their custodian and to immediately contact the broker custodian or Lind if statements have not been received.

## Private Funds

Pursuant to Rule 206 (4)-2 under the Advisers Act (the “Custody Rule”), Lind and its principals, as members of the GP to the Private Funds (and its affiliates) are deemed to have custody of the Private Fund’s assets. To comply with the Custody Rule, each Private Fund is subject to an annual audit by a public accounting firm registered with and subject to the supervision of the PCAOB (Public Company Accounting Oversight Board). The audited financial statements are prepared in accordance with generally accepted accounting principles and distributed to investors within 120 days of the Fund’s fiscal year end (which is December 31 each calendar year). These audited financial statements are then distributed to each of the Private Fund’s investors.

## Item 16 – Investment Discretion

Lind typically is granted investment discretion over clients’ accounts, including the amount and price of securities purchased and sold. Lind and the client at the inception of the advisory relationship evidence such discretionary authority granted to Lind in the investment advisory agreement that is executed.

For non-discretionary clients, Lind has limited power of attorney with the client’s broker / custodian. Once a trade is approved by the client, Lind has the authority to place the transaction at the client’s broker / custodian for execution.

## Item 17 – Voting Client Securities

Separate Accounts: Lind does not take or hold responsibility for the voting of client account proxies – should any be received. Each separate account client is responsible for directing the way proxies solicited by issuers of securities beneficially owned by the client are voted. A client may contact Lind for advice or information about a proxy vote. Lind, however, *shall not be deemed to have proxy-voting authority solely because of providing such advice to client*.

In the case of muni bond restructuring, which happen infrequently, Lind will vote on behalf of SMA account holders to approve restructured terms and conditions. Lind considers a restructuring different from proxy vote requests. Lind votes on behalf of SMA account holders to approve restructured terms and conditions, as evaluated by Lind’s investment professionals. These are assessed and voted on with the best interest of Lind’s clients, the bondholders, in mind.

Private Funds: Lind may vote proxies on behalf of the Funds. To that end, Lind takes great care to vote proxies in a way that it believes, consistent with its fiduciary duty, will cause the limited partnership’s securities to increase the most or decline the least in value. Consideration is given to both the short- and long-term implications of the proposal to be voted on when considering the optimal vote. One of Lind’s representatives is responsible for identifying the proxies upon which Lind will vote, voting the proxies in the best interest of clients, and submitting the proxies promptly and properly.

Generally, Lind's proxy voting guidelines and procedures require management to vote in the best interest of the bondholders. Please contact Lind's CCO, Dave Murdoch at the phone number on the cover of this brochure to discuss Lind's proxy voting guidelines.

## **Item 18 – Financial Information**

Lind does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.

Lind has never filed for bankruptcy and is not aware of any financial condition that is expected to affect its ability to manage client accounts.

In compliance with SEC Guidance, Lind is disclosing that it participated in the Paycheck Protection Program ("PPP") loan program from the U.S. Small Business Administration, and in May, 2020, received a PPP Loan in the amount of approximately \$100,000. At the time of the application, we determined that the impacts of COVID-19, including the many "shelter in place" orders and the severe volatility in the marketplace, created significant economic uncertainty. We believed it was prudent for us to apply for, and accept, this PPP Loan offered by the Small Business Administration in order to support our ongoing operations. The firm used the PPP funds to continue payroll for the firm's staff and make other permissible payments. Although our current business continuity plan has allowed us to continue to provide services to our clients without interruption, the PPP Loan has allowed us to maintain our current staff at pre-COVID-19 levels.

Although Lind is disclosing its participation in the PPP Loan program, the receipt or repayment of this loan does not impose a financial commitment that would impair our ability to meet our contractual and fiduciary commitments to our clients. The loan is forgivable provided the firm satisfies the terms of the loan program.

## **Appendix A – Privacy Disclosure**

## FACTS

### WHAT DOES LIND CAPITAL PARTNERS, LLC DO WITH YOUR PERSONAL INFORMATION?

<b>The Why:</b>	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.
<b>The What:</b>	<p>The types of personal information we collect, and share depend on the product or service you have with us. This information can include:</p> <ul style="list-style-type: none"> <li>■ Social Security number and income/net worth information</li> <li>■ Account balances and personal/family obligations</li> <li>■ Other financial information and personal obligations</li> </ul> <p>When you are no longer a customer, Lind may continue to share your information as described in this notice.</p>
<b>The How:</b>	All financial companies need to share non-public personal information to run their everyday business. In the section below, we list the reasons financial companies can share their non-public personal information; the reasons Lind Capital Partners chooses to share; and whether you can limit this sharing.

Reasons to share personal information	Does Lind share?	May clients limit this sharing?
<b>For everyday business purposes —</b> such as to process your transactions, maintain account(s), respond to court orders and legal investigations, or report to credit bureaus.	Yes	No
<b>For marketing purposes —</b> to offer products and services.	No	No
<b>For joint marketing with other financial companies.</b>	No	No
<b>For affiliates' everyday business purposes —</b> information about transactions and experiences.	Yes	No
<b>For affiliates' everyday business purposes —</b> information about creditworthiness.	No	No
<b>For affiliates to market.</b>	No	No
<b>For non-affiliates to market.</b>	No	No

For Questions, please call 312.878.3827.

## Who we are:

**Who is providing this notice?**

Lind Capital Partners, LLC

## What we do:

**How does Lind Capital Partners protect my personal information?**

To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.

Lind Capital Partners also uses physical, electronic and procedural safeguards on its technology platforms used to communicate and provide advice to you.

**How does Lind Capital Partners collect my personal information?**

We collect your personal information, for example, when you

- Provide personal information to subscribe to fund interests or open a separate account or through conversation
- Deposit funds into your account or withdrawal funds
- Provide information and data to open a brokerage / custodial account and information used to affect transactions at broker dealers

**Why can't I limit all sharing?**

Federal law gives you the right to limit only

- Sharing for affiliates' everyday business purposes—information about your creditworthiness
- Affiliates from using your information to market to you
- Sharing for nonaffiliates to market to you
- State laws and individual companies may give you additional rights to limit sharing.

## Definitions

**Affiliates**

Companies related by common ownership or control. They can be financial and nonfinancial companies.

- Lind Capital Partners has two affiliated private funds. Neither Lind Capital, the funds nor their respective general partners publicly market the funds. As a result, Lind Capital does not, per se, share non-public personal information outside of Lind Capital.

**Nonaffiliates**

Companies not related by common ownership or control. They can be financial and nonfinancial companies.

- None. Lind Capital Partners does not share information with third parties except in providing advisory services to you or as required by law.

**Joint marketing**

A formal agreement between nonaffiliated financial companies that together market financial products or services to you.

- Not applicable to Lind Capital Partners.

## Other important information

At Lind Capital Partners, we take our obligations to protect your personal non-public information very seriously. We shred all client and non-client related paper documents and records prior to disposal and erase or obliterate any data on electronic media in such a manner that this information cannot be accessed, read or reconstructed.