

**FIRM BROCHURE
(PART 2A OF FORM ADV)**

Item 1. Cover Page

Greenhouse Funds LLLP

March 31, 2023

This brochure provides information about the qualifications and business practices of Greenhouse Funds LLLP (the "Adviser"). If you have any questions about the contents of this brochure, please contact us at 646-795-6093. This information has not been approved or verified by the United States Securities and Exchange Commission (the "SEC") or by any state securities authority.

Additional information about the Adviser is available on the SEC's website at www.adviserinfo.sec.gov.

Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

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Item 2. Material Changes

This is an annual update of the Adviser's Form ADV Part 2A brochure.

There are no material changes to report between the period from the Adviser's prior annual brochure dated February 13, 2022 and this update of the Adviser's brochure.

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Item 4. Advisory Business

A. General Description of Advisory Firm. The Adviser is an investment adviser with its principal place of business in Baltimore, MD. The Adviser commenced operations as an investment adviser on June 27, 2013. Joseph Milano is the founder and principal of the Adviser.

The Adviser entered into an agreement (the “BFC Agreement”) with Baird Financial Corporation (“BFC”) whereby BFC made a significant investment in the Adviser in consideration for an equity interest in the Adviser and certain limited consent rights. Although BFC is deemed to “control” the Adviser for purposes of Form ADV, the Adviser renegotiated the terms of the BFC Agreement effective January 1, 2017, reducing BFC’s minority equity interest in the Adviser and reducing the scope of such limited consent rights.

B. Description of Advisory Services (including any specializations). The Adviser provides (1) investment advisory services on a discretionary basis to clients which are commingled private funds intended for institutional investors and other sophisticated investors and (2) investment subadvisory services on a discretionary basis to certain private funds, registered investment companies, and institutional clients whose primary investment advisers have delegated to the Adviser such services pursuant to subadvisory agreements (referred to herein as separately managed accounts, “SMAs”).

Currently, the Adviser provides investment advisory services to (i) three commingled private fund (hedge fund) clients, namely Greenhouse Onshore Fund LP (the “Onshore Fund”), Greenhouse Overseas Fund Ltd. (the “Overseas Fund”) and Greenhouse Master Fund LP (the “Master Fund”) (the Onshore Fund and Overseas Fund also known as the “Feeder Funds” and, collectively, the “Funds”), which are private investment funds that are offered to “accredited investors” and “qualified purchasers” (as defined in applicable federal securities laws and regulations) and (ii) two commingled private fund (long only) clients, namely Greenhouse Long Only Onshore Fund LP (the “LO Onshore Fund”) and Greenhouse Long Only Master Fund LP (the “LO Master Fund”) (the LO Onshore Fund also known as the “LO Feeder Fund” and, collectively, the “LO Funds”), which are private investment funds that are offered to “accredited investors” and “qualified purchasers” (as defined in applicable federal securities laws and regulations). The Funds and LO Funds utilize a “master-feeder” structure whereby the Feeder Funds and LO Feeder Fund invest all their investible assets in, and conduct their investment activities through, the Master Fund and LO Master Fund, respectively. The Adviser also provides investment subadvisory services to SMAs one of which is the Baird Equity Opportunity Fund (“BEOF”). BEOF is a series of Baird Funds, Inc. which is an open-end investment company registered under the Investment Company Act of 1940.

Most of the Adviser’s investment advisory services relate to equity securities.

C. Availability of Tailored Services for Individual Clients. The Adviser tailors its advisory services to the investment mandate of the (i) Funds and LO Funds as disclosed in their offering documents and organizational agreements and (ii) SMAs as detailed within their subadvisory agreements or prospectus.

D. Wrap Fee Programs. The Adviser does not participate in wrap fee programs.

E. Client Assets Under Management. As of December 31, 2022, the Adviser managed \$1,541,200,000 in gross assets. The Adviser manages clients’ assets only on a discretionary basis.

Item 5. Fees and Compensation

A. Advisory Fees and Compensation.

Asset-Based Compensation: The Adviser is paid a management fee based on net assets. The annual fee for the Funds, LO Funds and SMAs ranges from 0.50% to 1.50% and is paid either monthly or quarterly. Certain “founder class” or early investors may pay a lower fee. The management fee for the Funds and LO Funds may be waived, reduced or changed by the Adviser.

Performance-Based Compensation: The Adviser and an affiliate of the Adviser that serves as the general partner of the Master Fund and LO Master Fund (the “Fund General Partner”) receive annual performance-based compensation in amounts ranging from (i) 15% to 20% of net profits from the Funds and SMAs with a similar strategy as the Funds, subject to a loss carryforward provision and (ii) 20% of any outperformance relative to a defined index from the LO Funds and SMAs with a similar strategy as the LO Funds, subject to a loss carryforward provision. Certain “founder class” or early investors may pay a lower fee. Such performance-based compensation is charged in compliance with Rule 205-3 under the Investment Advisers Act of 1940, as amended. Such performance-based compensation for the Funds and LO Funds may be waived, reduced or changed by the Fund General Partner. The Adviser does not receive performance-based compensation for the BEOF SMA.

Based on certain minimum investment thresholds, LO Fund investors may be able to choose to pay a management fee or a management and performance-based fee.

B. Payment of Fees. The Adviser charges the Funds, LO Funds and SMAs the management fee in arrears. Performance-based compensation is charged in arrears on an annual basis and upon investor redemptions/withdrawals from the Funds, LO Funds and SMAs.

C. Other Fees and Expenses. In addition to paying the management fee and performance-based compensation, the Funds and LO Funds bear other expenses such as custodial charges, brokerage fees, commissions and related costs; interest expenses; taxes, duties and other governmental charges; other portfolio expenses; legal expenses; and internal and external accounting, audit and tax preparation expenses.

The expenses paid by the Funds and LO Funds are set forth in detail in their respective offering documents and organizational agreements. Although the foregoing is a summary of expenses the Funds and LO Funds will generally bear, it is not an exhaustive or complete list. Investors and prospective investors in the Funds and LO Funds should therefore review their respective offering documents and organizational agreements carefully because such documents, and not this brochure summary, describe the exact expenses the Funds and LO Funds will bear.

The SMAs bear similar expenses; however, the types and amounts of these expenses may differ from the Funds and LO Funds and are governed by the specific subadvisory agreement or prospectus for each SMA.

D. Prepayment of Fees.

The Funds, LO Funds and SMAs do not pay fees in advance.

E. Additional Compensation and Conflicts of Interest.

The Adviser may from time to time enter into agreements with certain investors that may provide for terms of investment that are more favorable than the terms described in the relevant offering documents. Such terms may include the waiver, reduction or rebate of management fees, expenses and/or performance-based allocations, the provision of additional information or reports or more favorable transfer rights or liquidity terms. No such agreement will necessarily entitle any other Investor to the same terms of investment.

Neither the Adviser nor any of its principals, employees or supervised persons receives any transaction-based or other compensation for the sale of securities or other investment products, including interests in or shares of the Funds and LO Funds.

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

As described in Item 5, clients of the Adviser are subject to asset-based and performance-based compensation payable or allocable to the Adviser or the Fund General Partner, as applicable. The terms of the compensation that we receive may differ between the various clients that we advise. This may result in a conflict of interest when we allocate opportunities among these clients because we will have an incentive to favor an account that pays higher compensation. To avoid such a conflict of interest, the firm has adopted and applies investment allocation policies designed to achieve equitable allocation among our clients. Specifically, the policy prevents us from taking compensation into account when allocating investment opportunities.

Investors should review their respective investment management agreements, limited partnership agreements and offering documents, and prospectuses, as applicable, as well as this brochure, for complete information on fees, compensation and expenses.

Performance-based compensation arrangements may create an incentive for us to recommend investments which may be riskier or more speculative than those which would be recommended under a different compensation arrangement.

Item 7. Types of Clients

The Adviser provides (1) investment advisory services on a discretionary basis to clients which are commingled private funds intended for institutional investors and other sophisticated investors and (2) investment subadvisory services on a discretionary basis to certain private funds, registered investment companies, and institutional clients whose primary investment advisers have delegated to the Adviser such services pursuant to subadvisory agreements.

Generally, the minimum initial investment in the Funds is \$1,000,000, subject to waiver at the discretion of the Adviser or the Fund General Partner, as applicable.

Generally, the minimum initial investment in the LO Funds is \$10,000,000, subject to waiver at the discretion of the Adviser or the Fund General Partner, as applicable.

Minimum investments for the SMAs are negotiated on a case-by-case basis. The BEOF SMA minimums are disclosed in the prospectus.

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

I. FUNDS

A. Methods of Analysis and Investment Strategies.

Investment Objective

The investment objective of the Funds is to generate superior risk-adjusted returns over the long term by making long/short equity investments with a focus on domestic small and medium-sized market capitalization companies generally under \$20 billion market capitalization. The Adviser seeks to consistently generate wealth on behalf of clients with lower volatility and relatively low correlation to the broader equity market while mitigating the risk of capital loss in challenging markets. The Funds generally invest long and short in the common stock of publicly traded companies. Investments may include companies outside of the aforementioned market capitalization range.

Investment Philosophy

The Funds employ a long/short U.S. equity strategy seeking to generate alpha on both the long and short side. The Adviser believes in bottom-up research and fundamental rigor in analyzing businesses. The Adviser is interested in the underlying prospects and value of a business, which should enable the Funds to exploit certain market inefficiencies by taking a view that is differentiated from that of the market. The Funds may hold core positions for longer than average but will act on shorter term ideas as they emerge.

The Adviser will use tools such as absolute value and relative value measures versus peer companies and history to inform its entry and exit points, position sizing and trading strategies.

Investment Process

Overview

The Adviser seeks attractive opportunities through proprietary fundamental research activities. These opportunities are thoroughly analyzed by evaluating industry dynamics, competitive forces, business model and earnings quality, profitability and cash flows, management acumen, and demonstrated capital stewardship. Extensive financial modeling and valuation assessment are then used to calculate the expected risk and reward, after which the Adviser exercises its experience and judgment to determine timing and appropriate position sizing. Risk management – and risk mitigation – is an integral part of the investment process. The Adviser regularly monitors salient portfolio attributes such as gross and net exposure, portfolio beta, sector weights, and individual position sizes. In managing the short book, the Adviser leverages its extensive research capabilities by relying almost exclusively on alpha shorts. The net of this process generates a portfolio of moderate volatility and low market correlation, with a bias to being long underappreciated growth stocks and undervalued cyclical while being short companies facing near-to-intermediate term fundamental challenges but sporting rich valuations.

Idea Generation

The Adviser's idea generation process starts with the quality of the business and addressable market opportunity. The investment team will draw on their long-standing relationships with management teams and industry contacts and their knowledge of competitive dynamics. The Adviser will look at the balance sheet and cash flow profiles for potential optionality on either the long or short side and utilize financial modeling to assess earnings quality, margin sustainability, financial returns and cash flow. The Adviser will seek to exploit a short term anomaly or better valuation to establish a position.

The Adviser will assess the opportunity set within its focus sectors to structure the portfolio. If the opportunity set is limited, cash is an acceptable asset class. The convergence of excessive valuations and deteriorating fundamentals will drive the basis for the Adviser's primary short ideas.

Idea Selection

Long selection discipline is based on the following:

1. Large addressable market with a well structured competitive landscape
2. High proportion of recurring revenues and sustainable competitive advantage
3. Stable or expanding profit margins and return on capital
4. Positive and growing free cash flow
5. Disciplined management team practicing intelligent capital deployment

Short selection discipline is based on the following:

1. Fundamental challenges that could lead to disappointing results
2. Elevated sentiment and valuation
3. Near term catalyst

At the core of its investment process, the Adviser is valuation sensitive. It will look for favorable risk/reward situations for both long and individual short positions. The Adviser believes it is critical to clearly articulate, understand, and test the investment thesis for each portfolio holding.

Sell/Cover Discipline

The Adviser will consider the following factors, among others, in deciding when to sell or cover positions: when its price objective has been reached with no change to underlying fundamentals, a significant positive or negative event changes its view of the company's prospects, target catalysts are realized or attractiveness of an investment relative to the opportunity set.

Portfolio Construction

U.S. equities are expected to comprise a substantial majority of the portfolio, on average. Options and cash/cash-equivalents (and any other types of securities the Adviser deems necessary to implement the investment program) are expected to comprise the remainder. To the extent the Funds' investments have foreign currency exposure, the Adviser may hedge currency exposures through securities such as forward contracts. Notwithstanding the foregoing, the Funds are permitted to invest in a broad range of equity and debt securities, derivatives and other financial instruments. They may utilize almost any securities for hedging purposes in the discretion of the Adviser.

The Funds will be focused on areas of the investment team's combined knowledge and experience, currently the consumer, business services, cyclicals, and technology sectors. Generally the Funds expect a multi-year holding period for long positions and a 6 month to 1 year holding period for short positions.

The Funds expect to primarily invest in companies under \$20 billion in market capitalization, where the Adviser thinks higher growth and fundamental inefficiencies are likely to be found.

The Funds will be long-biased, but will utilize selective shorts and basic options strategies as well. They expect to take short positions primarily in individual securities and, to a lesser extent, in options and liquid market or sector tracking instruments, like ETFs.

Leverage

The Funds use leverage. Such leverage may take the form of borrowings from securities broker-dealers, banks or others that is secured by a material portion of the portfolios or may arise from transactions in derivatives, futures, forwards, swaps and options or from short sales. The amount of leverage used will vary depending on market conditions.

Risk Management

The Funds generally will not be market or beta neutral. The Adviser expects to reduce volatility, but not eliminate it. The portfolio's overall exposure is largely determined organically based upon the relative attractiveness of the team's long and short ideas. The Adviser seeks to generate alpha on the short side with individual stocks. The Adviser utilizes a stop-loss discipline.

The Adviser may cause the Funds to invest a portion of their capital in bank deposits, short-term cash and fixed income investments, including U.S. government securities, money market instruments, commercial paper, money market funds, certificates of deposit and bankers' acceptances.

B. Material Risks (Including Significant, or Unusual Risks) Relating to Investment Strategies and Types of Securities that are Primarily Recommended.

Risk of Loss

No guarantee or representation is made that the Funds' investment program, including, without limitation, the investment objective, diversification strategies or risk monitoring goals, will be successful. Investment results may vary substantially over time. *No assurance can be made that profits will be achieved or that substantial or complete losses will not be incurred. Past investment results of the investments otherwise made by the investment professionals of the Adviser are not necessarily indicative of the Funds' or the Adviser's future performance.*

General Economic and Market Conditions

The success of the Funds' activities will be affected by general economic and market conditions, such as interest rates, availability of credit, credit defaults, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation of investments) or regulations (or their interpretation), trade barriers, currency exchange controls, and national and international political circumstances (including wars, terrorist acts or security operations). These factors may affect the trading strategies which are based on the predicated outcomes of macroeconomic themes.

Short Selling

A short sale creates the risk of a theoretically unlimited loss, in that the price of the underlying security could theoretically increase without limit, thus increasing the cost to the Funds of buying those securities to cover the short position. There can be no assurance that the Funds will be able to maintain the ability to borrow securities sold short. In such cases, the Funds can be "bought in" (*i.e.*, forced to repurchase securities in the open market to return to the lender). There also can be no assurance that the securities necessary to cover a short position will be available for purchase at or near prices quoted in the market. Purchasing securities to close out a short position can itself cause the price of the securities to rise further, thereby exacerbating the loss. Short strategies can also be implemented synthetically through various instruments and be used with respect to indices or in the over-the-counter market and with respect to futures and other instruments. In some cases of synthetic short sales, there is no floating supply of an underlying instrument with which to cover or close out a short position and the Funds may be entirely dependent on the willingness of over-the-counter market makers to quote prices at which the synthetic short position may be unwound. There can be no assurance that such market makers will be willing to make such quotes. Short strategies can also be implemented on a leveraged basis. Lastly, even though the Funds will secure a "good borrow" of the security sold short at the time of execution, the lending institution may recall the lent security at any time, thereby forcing the Funds to purchase the security at the then-prevailing market price, which may be higher than the price at which such security was originally sold short by the Funds. Any temporary or permanent bans or restrictions on certain short sale activities through legislative or regulatory initiatives may make it difficult and in some cases impossible for the Funds to either continue to implement its investment strategy or to control the risk of its open positions. Therefore, any such prohibitions or restrictions on short selling could have a material adverse impact on the Funds' investment program.

Portfolio Turnover

The Funds are not trading oriented. Their target investment horizons are typically measured in months and years. There will be positional turnover that occurs as the Funds flex position sizes in response to valuation and perceived risk-reward. The Funds may, from time to time, engage in short-term trading. Short-term trading refers to the practice of selling securities held for a short time. The objective of short-term trading is to take advantage of what the Adviser believes are changes in a market, industry or individual company. Short-term trading increases the Funds' transaction costs, which could affect the Funds' performance, and could result in higher levels of taxable realized gains to investors.

OTC Transactions

It is possible that the Funds may engage in transactions involving securities traded on "over the counter" ("OTC") markets. In general, there is less governmental regulation and supervision in the OTC markets than of transactions entered into on an organized exchange. In addition, many of the protections afforded to participants on some organized exchanges, such as the performance guarantee of an exchange clearinghouse, will not be available in connection with OTC transactions. This exposes the Funds to the risks that a counterparty will not settle a transaction because of a credit or liquidity problem or because of disputes over the terms of the contract. Therefore, to the extent that the Funds engage in trading on OTC markets, the Funds could be exposed to greater risk of loss through default than if it confined its trading to regulated exchanges.

Leverage and Borrowing.

Leverage for Investment Purposes. The Funds utilize leverage in the Adviser's discretion. The use of leverage allows them to make additional investments, thereby increasing exposure to assets, such that its total assets may be greater than its capital. However, leverage will also magnify the volatility of changes in the value of the Funds' portfolios. The effect of the use of leverage by the Funds in a market that moves adversely to its investments could result in substantial losses to the Funds, which would be greater than if the Funds were not leveraged.

Borrowing for Cash Management Purposes. The Funds have the authority to borrow for cash management purposes, such as to satisfy withdrawal requests.

Collateral. The instruments and borrowings utilized by the Funds to leverage investments are collateralized by all or a portion of their portfolios. Accordingly, the Funds pledge securities in order to borrow or otherwise obtain leverage for investment or other purposes. Should the securities pledged to brokers to secure the Funds' margin accounts decline in value, the Funds could be subject to a "margin call", pursuant to which the Master Fund must either deposit additional funds or securities with the broker or suffer mandatory liquidation of the pledged securities to compensate for the decline in value. The banks and dealers that provide financing to the Funds can apply essentially discretionary margin, "haircut", financing, and collateral valuation policies. Changes by counterparties in any of the foregoing may result in large margin calls, loss of financing and forced liquidations of positions at disadvantageous prices. Lenders that provide other types of asset-based or secured financing to the Funds may have similar rights. There can be no assurance that the Funds will be able to secure or maintain adequate financing.

Costs. Borrowings will be subject to interest, transaction and other costs, and other types of leverage also involve transaction and other costs. Any such costs may or may not be recovered by the return on the Funds' portfolios.

Hedging Transactions.

The Funds utilize securities for risk management purposes in order to: (i) protect against possible changes in the market value of the Funds' investment portfolios resulting from fluctuations in the markets and changes in interest rates; (ii) protect the Funds' unrealized gains in the value of its investment portfolio; (iii) facilitate the sale of any securities; (iv) enhance or preserve returns, spreads or gains on any security in the Funds' portfolios; (v) hedge against a directional trade; (vi) hedge the currency exchange rate on any of the Funds' securities; (vii) protect against any increase in the price of any securities the Funds anticipate purchasing at a later date; or (viii) act for any other reason that the Adviser deems appropriate. The Funds will not be required to hedge any particular risk in connection with a particular transaction or its portfolio generally. The Adviser may be unable to anticipate the occurrence of a particular risk and, therefore, may be unable to attempt to hedge against it. While the Funds may enter into hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance for the Funds than if it had not engaged in any such hedging transaction. Moreover, the portfolio will always be exposed to certain risks that cannot be hedged.

Exposure to Material Non-Public Information

From time to time, the Adviser or its affiliates may receive material non-public information in connection with investments of the Funds, with respect to an issuer of publicly traded securities. In such circumstances, the Funds may be prohibited, by law, policy or contract, including any "restricted list" maintained by the Adviser, for a period of time from (i) unwinding a position in such issuer, (ii) establishing an initial position or taking any greater position in such issuer and (iii) pursuing other investment opportunities related to such issuer.

Fundamental Analysis.

Trading decisions made by the Adviser will be based on fundamental analysis. Data on which fundamental analysis relies may be inaccurate or may be generally available to other market participants. Fundamental market information is subject to interpretation. To the extent that the Adviser misinterprets the meaning of certain data, the Funds may incur losses.

Reliance on Corporate Management and Financial Reporting

The strategy implemented by the Funds relies on the financial information made available by the issuers in which the Funds invests. The Adviser will have no ability to independently verify the financial information disseminated by the many issuers in which the Funds invest and is dependent upon the integrity of both the management of these issuers and the financial reporting process in general. Past events have demonstrated the material losses which investors can incur as a result of corporate mismanagement, fraud and accounting irregularities.

Mid Cap Securities.

The Funds invest in the listed securities of companies with market capitalization which in the United States would be viewed as medium-sized market capitalizations ("Mid Cap"), which may involve greater risk than investments in the listed securities of larger companies. Mid Cap companies may be more volatile in price and less liquid than larger capitalization companies. Many Mid Cap companies tend to have less access to capital markets, less negotiating power and less diverse product offerings and customer bases. All these traits make the risk of severe business reversals or business failure higher for many medium size issuers than for larger companies, which would have an adverse effect on the Funds if the Funds were holding a long position in such a company. On the other hand, Mid Cap companies are much more likely to be acquired at a significant premium, which could have an adverse effect on the Funds if the Funds were to short such a company.

Small Cap Securities

The Funds may invest a portion of assets in small and/or unseasoned companies. While smaller companies generally have potential for rapid growth, they often involve higher risks because they may lack the management experience, financial resources, product diversification, and competitive strength of larger companies. In addition, in many instances, the frequency and volume of the trading of securities for such companies may be substantially less than is typical of larger companies. As a result, the securities of smaller companies may be subject to wider price fluctuations. When liquidating large positions in small companies, the Funds may have to sell portfolio holdings at discounts from quoted prices or may have to make a series of small transactions over an extended period of time.

Technology Sector Risks

Certain of the companies in which the Funds may invest may allocate, or may have allocated, greater than usual amounts to research and product development. The securities of such companies may experience above-average price movements associated with the perceived prospects of success of their research and development programs. In addition, companies in which the Funds may invest could be adversely affected by lack of commercial acceptance of a new product or products. Some of these companies may have limited operating histories. As a result, these companies may face undeveloped or limited markets, have limited products, have no proven profit-making history, may operate at a loss or with substantial variations in operating results from period to period, or have limited access to capital and/or be in the developmental stages of their businesses.

Further, many technology companies with proprietary technology rely on a combination of patent, copyright, trademark and trade secret protection and non-disclosure agreements to establish and protect their proprietary rights, which may be essential to the growth and profitability of a technology company. There can be no assurance that a particular company will be able to protect these rights or will have the

financial resources to do so, or that competitors will not develop or patent technologies that are substantially equivalent or superior to the technology of a company in which the Funds may invest. Conversely, other companies may make infringement claims against a company in which the Funds may invest, which could have a material adverse effect on such company.

The markets in which many technology companies operate are extremely competitive. New technologies and improved products and services are continually being developed, rendering older technologies, products and services obsolete. Moreover, competition can result in significant downward pressure on pricing. There can be no assurance that companies in which the Funds may invest will successfully penetrate their markets or establish or maintain competitive advantages.

Consumer Sector Risk

The consumer discretionary industries can be significantly affected by the performance of the overall economy, interest rates, competition, consumer confidence and changes in demographics and consumer tastes. Success depends heavily on disposable household income and consumer spending. Changes in demographics and consumer tastes can also affect the demand for, and success of, consumer products and services in the marketplace.

Cyclical Securities Risk (Including Securities in the Business Services Sector)

Cyclical securities are more sensitive to change in economic cycles, appreciating during economic growth and depreciating during economic slowdowns. Accordingly, changes in the economic environment will have a greater influence on the performance of cyclical investments. Such investments may lose value during economic contractions.

Derivative Instruments Generally

Certain options and other derivative instruments may be subject to various types of risks, including market risk, liquidity risk, the risk of non-performance by the counterparty, including risks relating to the financial soundness and creditworthiness of the counterparty, legal risk and operations risk. Derivatives traded over-the-counter may not have an authoritative source of valuation and the models used to value such derivatives is subject to change. Special risks may apply in the future that cannot be determined at this time with respect to certain other derivative instruments that are not presently contemplated for use or that are currently not available.

Call Options. The seller (writer) of a call option which is covered (*i.e.*, the writer holds the underlying security) assumes the risk of a decline in the market price of the underlying security below the purchase price of the underlying security less the premium received, and gives up the opportunity for gain on the underlying security above the exercise price of the option. The seller of an uncovered call option assumes the risk of a theoretically unlimited increase in the market price of the underlying security above the exercise price of the option. The securities necessary to satisfy the exercise of an uncovered call option may be unavailable for purchase, except at much higher prices, thereby reducing or eliminating the value of the premium. Purchasing securities to cover the exercise of an uncovered call option can cause the price of the securities to increase, thereby exacerbating the loss. The buyer of a call option assumes the risk of losing its entire premium investment in the call option.

Put Options. The seller (writer) of a put option which is covered (*i.e.*, the writer has a short position in the underlying security) assumes the risk of an increase in the market price of the underlying security above the sales price (in establishing the short position) of the underlying security plus the premium received, and gives up the opportunity for gain on the underlying security if the market price falls below the exercise price of the option. The seller of an uncovered put option assumes the risk of a decline in the market price of the underlying security below the exercise price of the option. The buyer of a put option assumes the risk of losing its entire investment in the put option.

Index or Index Options. The value of an index or index option fluctuates with changes in the market values of the securities included in the index. Because the value of an index or index option depends upon movements in the level of the index rather than the price of a particular security, whether the Funds will realize appreciation or depreciation from the purchase or writing of options on indices depends upon movements in the level of instrument prices in the security market generally or, in the case of certain indices, in an industry or market segment, rather than movements in the price of particular securities.

Forward Contracts. Banking authorities generally do not regulate trading in forward contracts. The principals who deal in the forward contract market are not required to continue to make markets in such contracts. There have been periods during which certain participants in forward markets have refused to quote prices for forward contracts or have quoted prices with an unusually wide spread between the price at which they were prepared to buy and that at which they were prepared to sell. The imposition of credit controls or price risk limitations by governmental authorities may limit such forward trading to less than that which the Adviser would otherwise recommend, to the possible detriment of the Funds. In its forward trading, the Funds will be subject to the risk of the failure of, or the inability or refusal to perform with respect to its forward contracts by, the principals with which the Funds trade. Funds' assets on deposit with such principals will also generally not be protected by the same segregation requirements imposed on certain regulated brokers in respect of customer funds on deposit with them. The Adviser may order trades for the Funds in such markets through agents. Accordingly, the insolvency or bankruptcy of such parties could also subject the Funds to the risk of loss.

Swaps. The Funds may enter into various types of swap agreements. Swap agreements are individually negotiated and can be structured to include exposure to a variety of different types of investments or market factors. Depending on their structure, swap agreements may increase or decrease the Funds' exposure to equity securities, long-term or short-term interest rates, foreign currency values, corporate borrowing rates, or other factors, which may increase or decrease the overall volatility of the Funds. If a swap agreement calls for payments, the Funds must be prepared to make such payments when due. In addition, if a counterparty's creditworthiness declines, the value of swap agreements with such counterparty can be expected to decline, potentially resulting in losses to the Funds.

Market Risks

The profitability of a significant portion of the Funds' investment program depends to a great extent upon correctly assessing the future course of price movements of specific securities. There can be no assurance that the Adviser will be able to predict accurately these price movements.

Cyber Security Breaches and Identity Theft

With the increased use of technologies such as the Internet and the dependence on computer systems to perform business and operational functions, portfolios (such as the Funds) and their service providers may be prone to operational and information security risks resulting from cyber-attacks and/or technological malfunctions. In general, cyber-attacks are deliberate, but unintentional events may have similar effects. Cyber-attacks include, among others, stealing or corrupting data maintained online or digitally, preventing legitimate users from accessing information or services on a website, releasing confidential information without authorization, and causing operational disruption. Successful cyber-attacks against, or security breakdowns of, the Funds, the Adviser, the Fund General Partner or a custodian, or other affiliated or third-party service provider may adversely affect the Funds. For instance, cyber-attacks may interfere with the processing of transactions, affect the Funds ability to calculate net asset value, cause the release of private investor information or confidential Funds information, impede trading, cause reputational damage, and subject the Funds to regulatory fines, penalties or financial losses, reimbursement or other compensation costs, and additional compliance costs. Cyber-attacks may render records of the Funds assets and transactions, ownership of the interests, and other data integral to the functioning of the Funds inaccessible or inaccurate or incomplete. The Funds may also incur substantial costs for cyber security risk management in order to prevent cyber incidents in the future. The Funds could be negatively impacted as a result. While the Adviser has established business continuity plans and systems designed to minimize the risk of cyber-attacks through the use of technology,

processes and controls, there are inherent limitations in such plans and systems, including the possibility that certain risks have not been identified given the evolving nature of this threat. The Funds rely on third-party service providers for many of their day-to-day operations, and will be subject to the risk that the protections and protocols implemented by those service providers will be ineffective to protect the Funds from cyber-attack.

Epidemics, Pandemics and Market Disruption

The Funds business may be materially affected by conditions in the global financial markets and economic conditions or events throughout the world that are outside of the Adviser's control including, but not limited to, economic uncertainty, slowdown in global growth, changes in laws (including laws relating to taxation and regulations on the financial industry), due to disease, pandemics or other severe public health events, including related trade and travel barriers, volatility in commodity prices, currency exchange rates and controls and other national and international political circumstances. Recently, there has been an outbreak worldwide of the highly transmissible and pathogenic novel coronavirus (COVID-19) which the World Health Organization has declared to be a pandemic. Countries that already have suffered outbreaks of COVID-19 are likely to suffer a continued increase in recorded cases of the disease and COVID-19 is also likely to spread to additional countries. A continued escalation in the COVID-19 outbreak could see a continual and rapid decline in global economic growth. The outbreak is likely to adversely affect general commercial activity and the economies and financial markets of many countries, including through supply chains from affected countries, and such disruption may occur for a sustained period of time. The spread of COVID-19 may affect the level and volatility of securities prices, the liquidity and the value of investments and the operations of the Adviser and have a material adverse effect on the Funds. In addition, certain governmental regulators have imposed limitations on short sales of equity securities, which may impact the Adviser's ability to trade in certain equities and/or equity index derivatives. The Adviser and its personnel may also be adversely affected by the remote work arrangements.

II. LO FUNDS

A. Methods of Analysis and Investment Strategies.

Investment Objective

The investment objective of the LO Funds is to generate superior returns over the long term by making long equity investments with a focus on domestic small and medium-sized market capitalization companies generally under \$20 billion market capitalization. The LO Funds generally invest in the common stock of publicly traded companies. Investments may include companies outside of the aforementioned market capitalization.

Investment Philosophy

The LO Funds employ a long U.S. equity strategy seeking to generate alpha. The Adviser believes in bottom-up research and fundamental rigor in analyzing businesses. The Adviser is interested in the underlying prospects and value of a business, which should enable the LO Funds to exploit certain market inefficiencies by taking a view that is differentiated from that of the market. The LO Funds may hold core positions for longer than average, but will act on shorter term ideas as they emerge.

The Adviser will use tools such as absolute value and relative value measures versus peer companies and history to inform its entry and exit points, position sizing and trading strategies.

Investment Process

Overview

The Adviser seeks attractive opportunities through proprietary fundamental research activities. These opportunities are thoroughly analyzed by evaluating industry dynamics, competitive forces, business model and earnings quality, profitability and cash flows, management acumen, and demonstrated capital stewardship. Extensive financial modeling and valuation assessment are then used to calculate the expected risk and reward, after which the Adviser exercises its experience and judgment to determine timing and appropriate position sizing. The Adviser regularly monitors salient portfolio attributes such as exposure, portfolio beta, sector weights, and individual position sizes.

Idea Generation

The Adviser's idea generation process for the LO Funds will start with the quality of the business and addressable market opportunity. The Founder and investment team will draw on their long-standing relationships with management teams and industry contacts and their knowledge of competitive dynamics. The Adviser will look at the balance sheet and cash flow profiles for potential optionality and utilize financial modeling to assess earnings quality, margin sustainability, financial returns and cash flow. The Adviser will seek to exploit a short term anomaly or better valuation to establish a position.

The Adviser will assess the opportunity set within its focus sectors to structure the portfolio.

Idea Selection

Long selection discipline is based on the following:

1. Large addressable market with a well-structured competitive landscape;
2. High proportion of recurring revenues and sustainable competitive advantage;
3. Stable or expanding profit margins and return on capital;
4. Positive and growing free cash flow; and
5. Disciplined management team practicing intelligent capital deployment.

At the core of its investment process, the Adviser is valuation sensitive. It will look for favorable risk/reward situations. The Adviser believes it is critical to clearly articulate, understand, and test the investment thesis for each portfolio holding.

Sell Discipline

The Adviser will consider the following factors, among others, in deciding when to sell positions: when its price objective has been reached with no change to underlying fundamentals, a significant positive or negative event changes its view of the company's prospects, target catalysts are realized or attractiveness of an investment relative to the opportunity set.

Portfolio Construction

U.S. equities are expected to comprise a substantial majority of the LO Funds, on average. Options and cash/cash-equivalents (and any other types of securities the Adviser deems necessary to implement the LO Funds' investment program) are expected to comprise the remainder. To the extent the LO Funds' investments have foreign currency exposure, the Adviser may hedge currency exposures through securities such as forward contracts. Notwithstanding the foregoing, the LO Funds are permitted to invest in a broad range of equity and debt securities, preferred stock, bonds, derivatives and other financial instruments. The LO Funds may utilize any securities for hedging purposes in the discretion of the Adviser.

The LO Funds will be focused on areas of the Founder's and investment team's combined knowledge and experience, currently the consumer, business services, cyclicals, and technology sectors. Generally, the LO Funds expect a multi-year holding period for positions.

The LO Funds expect to primarily invest in companies under \$20 billion in market capitalization, where the Adviser thinks fundamental inefficiencies are likely to be found.

Leverage

The LO Funds may, in the Adviser's discretion, use leverage. Such leverage may take the form of borrowings from securities broker-dealers, banks or others that is secured by a material portion of the LO Funds' portfolio or may arise from transactions in derivatives, futures, forwards, swaps or options. The amount of leverage used by the LO Funds will vary depending on market conditions.

Risk Management

The Adviser may cause the LO Funds to invest a portion of its capital in bank deposits, short-term cash and fixed income investments, including U.S. government securities, money market instruments, commercial paper, money market funds, certificates of deposit and bankers' acceptances.

B. Material Risks (Including Significant, or Unusual Risks) Relating to Investment Strategies and Types of Securities that are Primarily Recommended.

Risk of Loss

No guarantee or representation is made that the LO Funds' investment program, including, without limitation, the investment objective, diversification strategies or risk monitoring goals, will be successful. Investment results may vary substantially over time. *No assurance can be made that profits will be achieved or that substantial or complete losses will not be incurred. Past investment results of the investments otherwise made by the investment professionals of the Adviser are not necessarily indicative of the LO Funds' or the Adviser's future performance.*

Investment and Trading Risks in General

Inherent in any investment in securities is the risk of losing the invested capital. The Adviser believes that the LO Funds' investment program and the Adviser's research techniques moderate this risk through a careful selection of securities and investment opportunities. However, no guarantee or representation is made that the LO Funds' investment program will be successful or profitable, and investment results may vary substantially over time. The Adviser will not, in general, attempt to measure or hedge all market or other risks inherent in the LO Funds' portfolio, and will seek to measure and hedge certain risks, if at all, only partially.

General Economic and Market Conditions

The success of the LO Funds' activities also will be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation of the LO Funds' investments) or regulations (or their interpretation), trade barriers, currency exchange controls, and national and international political circumstances (including wars, terrorist acts or security operations). These factors will affect the level and volatility of the prices of securities, commodities and other financial instruments and the liquidity of the LO Funds' investments. Illiquidity or significant changes in volatility could impair the LO Funds' profitability or result in losses.

Concentrated Investment Strategy

The LO Funds will not be broadly diversified, but rather will concentrate on certain investments. The undiversified nature of the LO Funds' trading can be expected to result in increased performance volatility and risk. The result of such concentration of investments is that a loss in any such position could materially reduce the LO Funds' capital.

Portfolio Turnover

The LO Funds are not trading oriented. Its target investment horizon is typically measured in months and years. There will be positional turnover that occurs as the LO Funds flex position sizes in response to valuation and perceived risk-reward. The LO Funds may, from time to time, engage in short-term trading. Short-term trading refers to the practice of selling securities held for a short time. The objective of short-term trading is to take advantage of what the Adviser believes are changes in a market, industry or individual company. Short-term trading increases the LO Funds' transaction costs, which could affect the LO Funds' performance, and could result in higher levels of taxable realized gains to Limited Partners.

"Widening" Risk

For reasons not necessarily attributable to any of the risks set forth herein (for example, supply/demand imbalances or other market forces), the prices of the securities in which the LO Funds will invest may decline substantially. In particular, purchasing assets at what may appear to be "undervalued" levels is no guarantee that these assets will not be trading at even lower levels at a time of valuation or at the time of sale. It may not be possible to predict, or to hedge against, such "spread widening" risk.

OTC Transactions

It is possible that the LO Funds may engage in transactions involving securities traded on "over the counter" ("OTC") markets. In general, there is less governmental regulation and supervision in the OTC markets than of transactions entered into on an organized exchange. In addition, many of the protections afforded to participants on some organized exchanges, such as the performance guarantee of an exchange clearinghouse, will not be available in connection with OTC transactions. This exposes the LO Funds to the risks that a counterparty will not settle a transaction because of a credit or liquidity problem or because of disputes over the terms of the contract. Therefore, to the extent that the LO Funds engage in trading on OTC markets, the LO Funds could be exposed to greater risk of loss through default than if it confined its trading to regulated exchanges.

Leverage and Borrowing.

Leverage for Investment Purposes. The LO Funds may use leverage in the Adviser's discretion. The use of leverage will allow the LO Funds to make additional investments, thereby increasing its exposure to assets, such that its total assets may be greater than its capital. However, leverage will also magnify the volatility of changes in the value of the LO Funds' portfolio. The effect of the use of leverage by the LO Funds in a market that moves adversely to its investments could result in substantial losses to the LO Funds, which would be greater than if the LO Funds were not leveraged.

Borrowing for Cash Management Purposes. The LO Funds have the authority to borrow for cash management purposes, such as to satisfy withdrawal requests.

Collateral. The instruments and borrowings that may be utilized by the LO Funds to leverage investments may be collateralized by all or a portion of the LO Funds' portfolio. Accordingly, the LO Funds may pledge its securities in order to borrow or otherwise obtain leverage for investment or other purposes. Should the securities pledged to brokers to secure the LO Funds' margin accounts decline in value, the LO Funds could be subject to a "margin call", pursuant to which the LO Funds must either deposit additional funds or securities with the broker or suffer mandatory liquidation of the pledged securities to compensate for the decline in value. The banks and dealers that provide financing to the LO Funds can apply essentially discretionary margin, "haircut", financing and collateral valuation policies. Changes by counterparties in any of the foregoing may result in large margin calls, loss of financing and forced liquidations of positions at disadvantageous prices. Lenders that provide other types of asset-based or secured financing to the LO Funds may have similar rights. There can be no assurance that the LO Funds will be able to secure or maintain adequate financing.

Costs. Borrowings will be subject to interest, transaction and other costs, and other types of leverage also involve transaction and other costs. Any such costs may or may not be recovered by the return on the LO Funds' portfolios.

Hedging Transactions.

The LO Funds may utilize securities for risk management purposes in order to: (i) protect against possible changes in the market value of the LO Funds' investment portfolio resulting from fluctuations in the markets and changes in interest rates; (ii) protect the LO Funds' unrealized gains in the value of its investment portfolio; (iii) facilitate the sale of any securities; (iv) enhance or preserve returns, spreads or gains on any security in the LO Funds' portfolio; (v) hedge against a directional trade; (vi) hedge the currency exchange rate on any of the LO Funds' securities; or (vii) act for any other reason that the Adviser deems appropriate. The LO Funds will not be required to hedge any particular risk in connection with a particular transaction or its portfolio generally. The Adviser may be unable to anticipate the occurrence of a particular risk and, therefore, may be unable to attempt to hedge against it. While the LO Funds may enter into hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance for the LO Funds than if it had not engaged in any such hedging transaction. Moreover, the portfolio will always be exposed to certain risks that cannot be hedged.

Exposure to Material Non-Public Information

From time to time, the Adviser or its affiliates may receive material non-public information in connection with investments of the LO Funds, with respect to an issuer of publicly traded securities. In such circumstances, the LO Funds may be prohibited, by law, policy or contract, including any "restricted list" maintained by the Adviser, for a period of time from (i) unwinding a position in such issuer, (ii) establishing an initial position or taking any greater position in such issuer and (iii) pursuing other investment opportunities related to such issuer.

Fundamental Analysis.

Trading decisions made by the Adviser will be based on fundamental analysis. Data on which fundamental analysis relies may be inaccurate or may be generally available to other market participants. Fundamental market information is subject to interpretation. To the extent that the Adviser misinterprets the meaning of certain data, the LO Fund may incur losses.

Reliance on Corporate Management and Financial Reporting

The strategy implemented by the LO Funds relies on the financial information made available by the issuers in which the LO Funds invests. The Adviser will have no ability to independently verify the financial information disseminated by the many issuers in which the LO Funds invest and is dependent upon the integrity of both the management of these issuers and the financial reporting process in general. Past events have demonstrated the material losses which investors can incur as a result of corporate mismanagement, fraud and accounting irregularities.

Mid Cap Securities.

The LO Funds will invest in the listed securities of companies with market capitalization which in the United States would be viewed as medium-sized market capitalizations ("Mid Cap"), which may involve greater risk than investments in the listed securities of larger companies. Mid Cap companies may be more volatile in price and less liquid than larger capitalization companies. Many Mid Cap companies tend to have less access to capital markets, less negotiating power and less diverse product offerings and customer bases. All these traits make the risk of severe business reversals or business failure higher for many medium size issuers than for larger companies, which would have an adverse effect on the LO Funds if the LO Funds were holding a long position in such a company.

Small Cap Securities

The LO Funds may invest a portion of its assets in small and/or unseasoned companies. While smaller companies generally have potential for rapid growth, they often involve higher risks because they may lack the management experience, financial resources, product diversification, and competitive strength of larger companies. In addition, in many instances, the frequency and volume of the trading of securities for such companies may be substantially less than is typical of larger companies. As a result, the securities of smaller companies may be subject to wider price fluctuations. When liquidating large positions in small companies, the LO Funds may have to sell portfolio holdings at discounts from quoted prices or may have to make a series of small transactions over an extended period of time.

Technology Sector Risks

Certain of the companies in which the LO Funds may invest may allocate, or may have allocated, greater than usual amounts to research and product development. The securities of such companies may experience above-average price movements associated with the perceived prospects of success of their research and development programs. In addition, companies in which the LO Funds may invest could be adversely affected by lack of commercial acceptance of a new product or products. Some of these companies may have limited operating histories. As a result, these companies may face undeveloped or limited markets, have limited products, have no proven profit-making history, may operate at a loss or with substantial variations in operating results from period to period, or have limited access to capital and/or be in the developmental stages of their businesses.

Further, many technology companies with proprietary technology rely on a combination of patent, copyright, trademark and trade secret protection and non-disclosure agreements to establish and protect their proprietary rights, which may be essential to the growth and profitability of a technology company. There can be no assurance that a particular company will be able to protect these rights or will have the financial resources to do so, or that competitors will not develop or patent technologies that are substantially equivalent or superior to the technology of a company in which the LO Funds may invest.

Conversely, other companies may make infringement claims against a company in which the LO Funds may invest, which could have a material adverse effect on such company.

The markets in which many technology companies operate are extremely competitive. New technologies and improved products and services are continually being developed, rendering older technologies, products and services obsolete. Moreover, competition can result in significant downward pressure on pricing. There can be no assurance that companies in which the LO Funds may invest will successfully penetrate their markets or establish or maintain competitive advantages.

Consumer Sector Risk

The consumer discretionary industries can be significantly affected by the performance of the overall economy, interest rates, competition, consumer confidence and changes in demographics and consumer tastes. Success depends heavily on disposable household income and consumer spending. Changes in demographics and consumer tastes can also affect the demand for, and success of, consumer products and services in the marketplace.

Cyclical Securities Risk (Including Securities in the Business Services Sector)

Cyclical securities are more sensitive to change in economic cycles, appreciating during economic growth and depreciating during economic slowdowns. Accordingly, changes in the economic environment will have a greater influence on the performance of cyclical investments. Such investments may lose value during economic contractions.

Derivative Instruments Generally

Certain options and other derivative instruments may be subject to various types of risks, including market risk, liquidity risk, the risk of non-performance by the counterparty, including risks relating to the financial soundness and creditworthiness of the counterparty, legal risk and operations risk. Derivatives traded over-the-counter may not have an authoritative source of valuation and the models used to value such derivatives is subject to change. Special risks may apply in the future that cannot be determined at this time with respect to certain other derivative instruments that are not presently contemplated for use or that are currently not available.

Call Options. The seller (writer) of a call option which is covered (*i.e.*, the writer holds the underlying security) assumes the risk of a decline in the market price of the underlying security below the purchase price of the underlying security less the premium received, and gives up the opportunity for gain on the underlying security above the exercise price of the option. The seller of an uncovered call option assumes the risk of a theoretically unlimited increase in the market price of the underlying security above the exercise price of the option. The securities necessary to satisfy the exercise of an uncovered call option may be unavailable for purchase, except at much higher prices, thereby reducing or eliminating the value of the premium. Purchasing securities to cover the exercise of an uncovered call option can cause the price of the securities to increase, thereby exacerbating the loss. The buyer of a call option assumes the risk of losing its entire premium investment in the call option.

Put Options. The seller (writer) of a put option which is covered (*i.e.*, the writer has a short position in the underlying security) assumes the risk of an increase in the market price of the underlying security above the sales price (in establishing the short position) of the underlying security plus the premium received, and gives up the opportunity for gain on the underlying security if the market price falls below the exercise price of the option. The seller of an uncovered put option assumes the risk of a decline in the market price of the underlying security below the exercise price of the option. The buyer of a put option assumes the risk of losing its entire investment in the put option.

Index or Index Options. The value of an index or index option fluctuates with changes in the market values of the securities included in the index. Because the value of an index or index option depends upon movements in the level of the index rather than the price of a particular security, whether the LO Funds will realize appreciation or depreciation from the purchase or writing of options on indices depends upon movements in the level of instrument prices in the security market generally or, in the case of certain indices, in an industry or market segment, rather than movements in the price of particular securities.

Forward Contracts. Banking authorities generally do not regulate trading in forward contracts. The principals who deal in the forward contract market are not required to continue to make markets in such contracts. There have been periods during which certain participants in forward markets have refused to quote prices for forward contracts or have quoted prices with an unusually wide spread between the price at which they were prepared to buy and that at which they were prepared to sell. The imposition of credit controls or price risk limitations by governmental authorities may limit such forward trading to less than that which the Adviser would otherwise recommend, to the possible detriment of the LO Funds. In its forward trading, the LO Funds will be subject to the risk of the failure of, or the inability or refusal to perform with respect to its forward contracts by, the principals with which the LO Funds trades. LO Funds assets on deposit with such principals will also generally not be protected by the same segregation requirements imposed on certain regulated brokers in respect of customer funds on deposit with them. The Adviser may order trades for the LO Funds in such markets through agents. Accordingly, the insolvency or bankruptcy of such parties could also subject the LO Funds to the risk of loss.

Swaps. The LO Funds may enter into various types of swap agreements. Swap agreements are individually negotiated and can be structured to include exposure to a variety of different types of investments or market factors. Depending on their structure, swap agreements may increase or decrease the LO Funds' exposure to equity securities, long-term or short-term interest rates, foreign currency values, corporate borrowing rates, or other factors, which may increase or decrease the overall volatility of the LO Funds. If a swap agreement calls for payments, the LO Funds must be prepared to make such payments when due. In addition, if a counterparty's creditworthiness declines, the value of swap agreements with such counterparty can be expected to decline, potentially resulting in losses to the LO Funds.

Market Risks

The profitability of a significant portion of the LO Funds' investment program depends to a great extent upon correctly assessing the future course of price movements of specific securities. There can be no assurance that the Adviser will be able to predict accurately these price movements.

Cyber Security Breaches and Identity Theft

With the increased use of technologies such as the Internet and the dependence on computer systems to perform business and operational functions, portfolios (such as the LO Funds) and their service providers may be prone to operational and information security risks resulting from cyber-attacks and/or technological malfunctions. In general, cyber-attacks are deliberate, but unintentional events may have similar effects. Cyber-attacks include, among others, stealing or corrupting data maintained online or digitally, preventing legitimate users from accessing information or services on a website, releasing confidential information without authorization, and causing operational disruption. Successful cyber-attacks against, or security breakdowns of, the LO Funds, the Adviser, the Fund General Partner or a custodian, or other affiliated or third-party service provider may adversely affect the LO Funds. For instance, cyber-attacks may interfere with the processing of transactions, affect the LO Funds ability to calculate net asset value, cause the release of private investor information or confidential LO Funds information, impede trading, cause reputational damage, and subject the LO Funds to regulatory fines, penalties or financial losses, reimbursement or other compensation costs, and additional compliance costs. Cyber-attacks may render records of the LO Funds assets and transactions, ownership of the interests, and other data integral to the functioning of the LO Funds inaccessible or inaccurate or incomplete. The LO Funds may also incur substantial costs for cyber security risk management in order

to prevent cyber incidents in the future. The LO Funds could be negatively impacted as a result. While the Adviser has established business continuity plans and systems designed to minimize the risk of cyber-attacks through the use of technology, processes and controls, there are inherent limitations in such plans and systems, including the possibility that certain risks have not been identified given the evolving nature of this threat. The LO Funds rely on third-party service providers for many of their day-to-day operations, and will be subject to the risk that the protections and protocols implemented by those service providers will be ineffective to protect the LO Funds from cyber-attack.

Epidemics, Pandemics and Market Disruption

The LO Funds business may be materially affected by conditions in the global financial markets and economic conditions or events throughout the world that are outside of the Adviser's control including, but not limited to, economic uncertainty, slowdown in global growth, changes in laws (including laws relating to taxation and regulations on the financial industry), due to disease, pandemics or other severe public health events, including related trade and travel barriers, volatility in commodity prices, currency exchange rates and controls and other national and international political circumstances. Recently, there has been an outbreak worldwide of the highly transmissible and pathogenic novel coronavirus (COVID-19) which the World Health Organization has declared to be a pandemic. Countries that already have suffered outbreaks of COVID-19 are likely to suffer a continued increase in recorded cases of the disease and COVID-19 is also likely to spread to additional countries. A continued escalation in the COVID-19 outbreak could see a continual and rapid decline in global economic growth. The outbreak is likely to adversely affect general commercial activity and the economies and financial markets of many countries, including through supply chains from affected countries, and such disruption may occur for a sustained period of time. The spread of COVID-19 may affect the level and volatility of securities prices, the liquidity and the value of investments and the operations of the Adviser and have a material adverse effect on the LO Funds. In addition, certain governmental regulators have imposed limitations on short sales of equity securities, which may impact the Adviser's ability to trade in certain equities and/or equity index derivatives. The Adviser and its personnel may also be adversely affected by the remote work arrangements.

III. SMAs

The methods of analysis, investment strategies, material risks (including significant, or unusual risks) relating to investment strategies and types of securities that are primarily recommended for the SMAs are similar to either the Funds or the LO Funds depending on the type of SMA as detailed in the subadvisory agreement or prospectus for each SMA.

Item 9. Disciplinary Information

In the past ten years, there have been no legal or disciplinary events involving the Adviser or any of its management persons that are material to a current investor's or prospective investor's evaluation of the Adviser's advisory business.

Item 10. Other Financial Industry Activities and Affiliations

A. The Adviser is not currently registered, and does not have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer. One of the Adviser's directors is a registered representative of Robert W. Baird & Co. Incorporated ("RWB"), a broker-dealer.

B. Neither the Adviser nor any of its management persons is currently registered as a futures commission merchant, commodity pool operator, a commodity trading advisor or an associated person of the foregoing entities. The Adviser and its affiliate, Greenhouse Fund GP LLC, have filed exemptions from registration as commodity pool operators.

C. RWB is an investment adviser and broker dealer. RWB's parent company, BFC, controls the Adviser (see Item 4.A above). RWB and the Adviser are thus under common control. The Adviser periodically uses RWB to execute securities transactions for the Funds, LO Funds and SMAs. The Adviser periodically uses commissions or "soft dollars" to obtain research services from RWB to assist in the investment decision-making process relating to the Funds, LO Funds and SMAs. The Adviser has policies and procedures to address this conflict.

Strategas Securities, LLC dba Strategas Research Partners ("Strategas") is an investment adviser and broker dealer. Strategas' parent company, BFC, controls the Adviser (see Item 4.A above). Strategas and the Adviser are thus under common control. The Adviser periodically uses Strategas to execute securities transactions for the Funds, LO Funds and SMAs. The Adviser periodically uses commissions or "soft dollars" to obtain research services from Strategas to assist in the investment decision-making process relating to the Funds, LO Funds and SMAs. The Adviser has policies and procedures to address this conflict.

D. We do not recommend or select other investment advisers for clients.

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

The Adviser recognizes and believes that (i) high ethical standards are essential for its success and to maintain the confidence of its clients; (ii) its long-term business interests are best served by adherence to the principle that the interests of clients come first; and (iii) it has a fiduciary duty to its clients to act solely for their benefit. Therefore, the Adviser has adopted a Code of Ethics (the “Code”). All personnel of the Adviser must put the interests of the Adviser’s clients before their own personal interests and must act honestly and fairly in all respects in dealings with clients. All personnel of the Adviser must also comply with all federal securities laws. Clients or prospective clients may obtain a copy of the Code by contacting Patrick J. Mitchell (Chief Compliance Officer) by email at pmitchell@greenhousefunds.com or by telephone at 646-795-6093.

The Adviser, in the course of its investment management and other activities, may come into possession of confidential or material nonpublic information about issuers, including issuers in which the Adviser or its related persons have invested or seek to invest on behalf of clients. The Adviser is prohibited from improperly disclosing or using such information for its own benefit or for the benefit of any other person, regardless of whether such other person is a client. The Adviser maintains and enforces written policies and procedures that prohibit the communication of such information to persons who do not have a legitimate need to know such information and to assure that the Adviser is meeting its obligations to clients and remains in compliance with applicable law. In certain circumstances, the Adviser may possess certain confidential or material, nonpublic information that, if disclosed, might be material to a decision to buy, sell or hold a security, but the Adviser will be prohibited from communicating such information to the client or using such information for the client’s benefit. In such circumstances, the Adviser will have no responsibility or liability to the client for not disclosing such information to the client (or the fact that the Adviser possesses such information), or not using such information for the client’s benefit, as a result of following the Adviser’s policies and procedures designed to provide reasonable assurances that it is complying with applicable law.

As a general matter, personnel of the Adviser are not permitted to engage in personal transactions for their personal securities accounts. There are instances where such personnel have a pre-existing personal securities account and require the ability to sell securities from time to time. Among other requirements, the Code requires personnel to obtain preclearance and report any personal securities transactions (i.e., sale of a security) and holdings to the Adviser, and the Adviser is required to review such reports. Transactions in exchange traded funds (ETFs) are allowed without preclearance, but they must be reported to the Adviser for review.

Personnel of the Adviser and affiliates and relatives may make investments in the Funds and LO Funds.

The Adviser may determine that it would be in the best interests of the Funds, LO Funds and SMAs to transfer a security from one client to another (each such transfer, a “Cross Trade”) for a variety of reasons, including, without limitation, tax purposes, liquidity purposes, to rebalance the portfolios of the clients, or to reduce transaction costs that may arise in an open market transaction. If the Adviser decides to engage in a Cross Trade, the Adviser will determine that the trade is in the best interests of each client involved in it and take steps to ensure that the transaction is consistent with the duty to obtain best execution for each of those clients. The Adviser generally intends to execute Cross Trades, if at all, with the assistance of a broker-dealer who executes and books the transaction at the close of the market on the day of the transaction. Alternatively, a cross transaction between clients may occur as an “internal cross”, where the Adviser instructs the custodian for the clients to book the transaction at the price determined in accordance with the Adviser’s valuation policy. If the Adviser effects an internal cross, the Adviser will not receive any fee in connection with the completion of the transaction.

Item 12. Brokerage Practices

The Adviser is authorized to determine the broker or dealer to be used for each securities transaction for the Funds, LO Funds and SMAs. In selecting brokers or dealers to execute transactions, the Adviser need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. It is not the Adviser's practice to negotiate "execution only" commission rates, thus the Funds, LO Funds and SMAs may be deemed to be paying for research, brokerage or other services provided by the broker which are included in the commission rate.

Section 28(e) of the Securities Exchange Act of 1934, as amended, is a "safe harbor" that permits an investment manager to use commissions or "soft dollars" to obtain research and brokerage services that provide lawful and appropriate assistance in the investment decision-making process. The Adviser will limit the use of "soft dollars" to obtain research and brokerage services to services which constitute research and brokerage within the meaning of Section 28(e). Research services within Section 28(e) may include, but are not limited to, research reports (including market research); certain financial newsletters and trade journals; software providing analysis of securities portfolios; corporate governance research and rating services; attendance at certain seminars and conferences; discussions with research analysts; meetings with corporate executives; consultants' advice on portfolio strategy; data services (including services providing market data, company financial data and economic data); advice from brokers on order execution; and certain proxy services. Brokerage services within Section 28(e) may include, but are not limited to, services related to the execution, clearing and settlement of securities transactions and functions incidental thereto (i.e., connectivity services between an investment manager and a broker-dealer and other relevant parties such as custodians); trading software operated by a broker-dealer to route orders; software that provides trade analytics and trading strategies; software used to transmit orders; clearance and settlement in connection with a trade; electronic communication of allocation instructions; routing settlement instructions; post trade matching of trade information; and services required by the SEC or a self-regulatory organization such as comparison services, electronic confirms or trade affirmations.

In some instances, the Adviser receives a product or service that may be used only partially for functions within Section 28(e) (e.g. an order management system, trade analytical software or proxy services). In such instances, the Adviser will make a good faith effort to determine the relative proportion of the product or service used to assist the Adviser in carrying out its investment decision-making responsibilities and the relative proportion used for administrative or other purposes outside Section 28(e). The proportion of the product or service attributable to assisting the Adviser in carrying out its investment decision-making responsibilities will be paid through brokerage commissions generated by client transactions and the proportion attributable to administrative or other purposes outside Section 28(e) will be paid for by the Adviser from its own resources.

Research and brokerage services obtained by the use of commissions arising from the Funds', LO Funds' and SMAs' portfolio transactions could be used by the Adviser in its other investment activities and thus, a Fund, LO Fund or SMA may not necessarily, in any particular instance, be the direct or indirect beneficiary of the research or brokerage services provided.

Although the Adviser will make a good faith determination that the amount of commissions paid is reasonable in light of the products or services provided by a broker, commission rates are generally negotiable and thus, selecting brokers on the basis of considerations that are not limited to the applicable commission rates may result in higher transaction costs than would otherwise be obtainable. The receipt of such products or services and the determination of the appropriate allocation in the case of "mixed use" products or services creates a potential conflict of interest between the Adviser and its clients.

In selecting brokers and negotiating commission rates, the Adviser will take into account the financial stability and reputation of brokerage firms, and the research, brokerage or other services provided by such brokers. The Adviser may place transactions with a broker or dealer that (i) provides the Adviser (or an affiliate) with the opportunity to participate in capital introduction events sponsored by the broker-dealer or (ii) refers investors to the Funds, LO Funds or other products advised by the Adviser (or an affiliate), if otherwise consistent with seeking best execution; provided the Adviser is not selecting the broker-dealer in recognition of the opportunity to participate in such capital introduction events or the referral of investors.

When appropriate, the Adviser may, but is not required to, aggregate client orders to achieve more efficient execution or to provide for equitable treatment among accounts. Clients participating in aggregated trades will be allocated securities based on the average price achieved for such trades.

During the Adviser's last fiscal year, as a result of client brokerage commissions (or markups or markdowns), the Adviser and/or its related persons acquired research services such as research reports (including market research); software providing analysis of securities portfolios; attendance at certain seminars and conferences; discussions with research analysts; meetings with corporate executives; and data services (including services providing market data, company financial data and economic data).

The Adviser periodically uses RWB and Strategas, both affiliates of the Adviser, to execute securities transactions for the Funds, LO Funds and SMAs. While a conflict of interest exists with respect to the use of RWB and Strategas as executing brokers for the Funds, LO Funds and SMAs, the Adviser adheres to its best execution policy as summarized in this Item 12 in selecting brokers and negotiating commission rates.

The Adviser may periodically receive "new issue" allocations and secondary offerings from RWB for the Funds, LO Funds and SMAs.

The Adviser periodically uses commissions or "soft dollars" to obtain research services from RWB and Strategas, both affiliates of the Adviser. While a conflict of interest exists with respect to this use, the Adviser adheres to its best execution policy and ensures the research services provide lawful and appropriate assistance in its investment decision-making process.

The Adviser has procedures in place that seek to limit trade errors, however such procedures may not prevent trade errors from occurring in every instance. The Adviser has adopted a trade error policy which provides that the Funds and LO Funds will only be reimbursed for losses due to trade errors to the extent that the trade error resulted from the bad faith, gross negligence, willful misconduct or fraud of the Adviser. The Adviser's trade error policy for the SMAs may be different than that for the Funds and LO Funds and, if so, would be specified in the subadvisory agreement for each SMA. A registered investment company account must be fully compensated for any losses incurred as a result of a trade error. If the trade error results in a gain, the registered investment company account generally will retain the gain.

A. Frequency and Nature of Review.

Joseph Milano manages the portfolios of the Funds, LO Funds and SMAs. He monitors the holdings of each continuously. Such holdings are monitored in light of trading activity, significant corporate developments and other activities which may dictate a change in portfolio positions. Before deciding whether to purchase or sell a particular security on behalf of a client account, the Funds, LO Funds and SMAs holding such security will be reviewed in full. In addition, the Funds, LO Funds and SMAs are reviewed periodically from the standpoint of the specific investment objectives of the Funds, LO Funds and SMAs and as particular situations may dictate.

B. Content and Frequency of Regular Account Reports.

Each investor in the Funds and LO Funds receives monthly capital account/net asset value statements directly from the Funds' administrator, SS&C GlobeOp, and the LO Funds' administrator, NAV Consulting, Inc., respectively. Each investor in the Funds and LO Funds also receives quarterly letters and performance reports from the Adviser. Investors in the Funds and LO Funds also receive audited financial statements on an annual basis. In addition, investors in the Onshore Fund and LO Onshore Fund receive a Schedule K-1 each year for tax reporting purposes.

SMA clients, other than registered investment company accounts, have full daily transparency into transactions and portfolio holdings. Any additional reporting for these SMAs is dictated by the applicable subadvisory agreement. Reporting for registered investment company accounts is governed by the Investment Company Act of 1940 and includes documents such as a prospectus and semi-annual and annual reports.

Item 14. Client Referrals and Other Compensation

A. The Adviser does not receive any economic benefit from non-clients for providing advisory services to the Funds, LO Funds and SMAs.

B. The Adviser makes cash payments to third-party solicitors for client referrals (whereby the third-party solicitor receives compensation attributable to the client solicited and referred by the third-party solicitor), provided that, to the extent required, each such solicitor has entered into a written agreement with the Adviser and each prospective client will be notified of the terms of the solicitation arrangement, including the nature of the relationship between the solicitor and Adviser and any fees to be paid to the solicitor. Where applicable, cash payments for client solicitations will be structured to comply fully with the requirements of Rule 206(4)-1 under the Investment Advisers Act of 1940.

Item 15. Custody

Due to the Adviser's and the Fund General Partner's access to client funds and securities as investment adviser and general partner, respectively, of the Funds and LO Funds, and the Adviser's authority to deduct fees and other expenses from the Funds and LO Funds, we are deemed to have constructive custody of these clients' funds and securities within the meaning of Rule 206(4)-2 of the Investment Advisers Act of 1940, as amended (known as the Custody Rule).

The Adviser utilizes the services of unrelated financial institutions or other qualified custodians (as defined in the Custody Rule) to hold clients' funds and securities. The Adviser also ensures that the qualified custodian maintains such funds in accounts that contain only clients' funds and securities, which may be under the Adviser's name as agent or trustee for the client.

With respect to clients that are collective investment vehicles for which the Adviser is deemed to have constructive custody, the Adviser complies with the periodic reporting requirements of the Custody Rule by arranging for annual financial statements, prepared in accordance with generally accepted accounting principles and audited by an independent auditor that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, to be delivered to each investor in such clients within 120 days of the end of the relevant fiscal year.

The Adviser does not have actual or constructive custody with respect to the SMAs.

Item 16. Investment Discretion

The Adviser provides investment advisory services on a discretionary basis to clients. Please see Item 4 for a description of any limitations clients may place on the Adviser's discretionary authority.

Prior to assuming full discretion in managing a client's assets, the Adviser enters into an investment management agreement or other agreement that sets forth the scope of the Adviser's discretion.

Unless otherwise instructed or directed by a discretionary client, the Adviser has the authority to determine (i) the securities 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 (ii) the amount of securities to be purchased or sold for the client account. Because of the differences in client investment objectives and strategies, risk tolerances, tax status and other criteria, there may be differences among clients in invested positions and securities held. The existence, timing, and sizing of security transactions and security positions may or may not be the same between client accounts. The Adviser may consider the following factors, among others, in allocating securities among clients: (i) client investment objectives and strategies; (ii) client risk profiles; (iii) tax status and restrictions placed on a client's portfolio by the client or by applicable law; (iv) size, leverage, and margin requirements of the client account; (v) nature and liquidity of the security to be allocated; (vi) size of available position; (vii) current market conditions; (viii) account liquidity, account requirements for liquidity and timing of cash flows; and (iv) relative security exposure size between client accounts. Although it is the Adviser's general policy to allocate investment opportunities to eligible client accounts on a pro rata basis (generally based on the value of the assets of each participating account relative to the value of the assets of all participating accounts), these factors may lead the Adviser to allocate securities to client accounts in varying amounts. Even client accounts that are typically managed on a pari passu basis may from time to time receive differing allocations of securities based on total assets of each account eligible to invest in the particular investment type (e.g., equities) divided by the total assets of all accounts eligible to invest in the particular investment.

Item 17. Voting Client Securities

The Adviser has adopted Proxy Voting Policies and Procedures (the "Procedures") that are designed to ensure that in cases where the Adviser votes proxies with respect to client securities, such proxies are voted in the best interests of its clients. The Procedures also require that the Adviser identify and address conflicts of interest between the Adviser and its clients. If a material conflict of interest exists, the Adviser will follow the guidelines set forth in the Procedures. In voting proxies, the Adviser generally votes in favor of routine corporate housekeeping proposals, including election of directors (where no corporate governance issues are implicated). Generally, the Adviser will vote against proposals that make it more difficult to replace members of a board of directors. For all other proposals, the Adviser will determine whether a proposal is in the best interests of its clients and may take into account the following factors, among others: (i) whether the proposal was recommended by management and Adviser's opinion of management; (ii) whether the proposal acts to entrench existing management; and (iii) whether the proposal fairly compensates management for past and future performance.

Clients may obtain a copy of the Adviser's Procedures and information about how the Adviser voted a client's proxies by contacting Patrick J. Mitchell (Chief Compliance Officer) by email at pmitchell@greenhousefunds.com or by telephone at 646-795-6093.

Item 18. Financial Information

- A.** The Adviser does not require nor does it solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.
- B.** The Adviser is not aware of any financial condition that is likely to impair its ability to meet its contractual commitments to clients.
- C.** The Adviser has never been the subject of a bankruptcy petition.