REDWOOD
INVESTMENT MANAGEMENT

FIRM BROCHURE
(Part 2A of Form ADV)

March 30, 2022

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Part 2A of Form ADV (the "Brochure") provides information about the qualifications and business practices of Redwood Investment Management, LLC. If you have any questions about the contents of this Brochure, please contact Redwood at (310) 272-8185 and/or jyung@redwoodim.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Redwood Investment Management, LLC is an SEC registered investment adviser; however, such registration does not imply a certain level of skill or training and no inference to the contrary should be made.

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

ITEM 1: COVER PAGE

Please refer to previous page.

ITEM 2: MATERIAL CHANGES

This Brochure is dated March 30, 2022. Redwood Investment Management, LLC's ("Redwood") previous ADV Part 2A was dated March 26, 2021. This Brochure will be updated annually or when material changes occur since the previous release of Redwood's Brochure.

There were no material changes since Redwood's March 26, 2021 filing.

Redwood encourages each client to read this Brochure carefully and to contact Redwood with any questions.

Pursuant to SEC rules, Redwood will ensure that clients receive a summary of any materials changes to this Brochure, along with an offer to provide a full copy of this Brochure upon request, within 120 days of the close of Redwood's fiscal year. Additionally, as the Firm experiences material changes in the future, Redwood will either send clients a summary of our "Material Changes" along with an offer to provide the Brochure, or alternatively, deliver the Brochure in its entirety to the client. For more information about Redwood, please call (310) 272-8185.

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Item 4: Advisory Business

A. Description of Firm

Redwood Investment Management, LLC ("Redwood" the "Firm" "we", "us" or "our") is an investment management firm registered with the SEC and notice filed in various states. As discussed below, Redwood provides discretionary investment advice to certain individuals, high net worth individuals, pension and profit-sharing plans, trusts, estates, corporations, other investment advisory firms, affiliated mutual funds, and an affiliated private hedge fund. Redwood also provides model portfolios to other investment advisors and serves as a sub-advisor to other investment advisers, as discussed below.

Redwood Investment Management, LLC is majority owned by RIM Holdco, LLC. RIM Holdco, LLC is owned by Redwood Investment Holdco, LLC, which is majority owned by Michael Messinger and minority owned by partners Richard Duff and Michael Cheung.

B. Types of Advisory Services Offered

Redwood provides investment advisory services, under the following arrangements:

1. As adviser to affiliated registered mutual funds and Exchange Traded Fund(s)(ETF(s));
2. As sub-adviser to an affiliated, and non-affiliated, third party registered investment advisers' clients;
3. As adviser to clients with separately managed accounts ("SMAs"), including clients with individual investment sub-accounts contained within a variable annuity/life product owned by an individual client;
4. Providing model portfolio strategies to non-affiliated third-party registered investment advisers' clients; and
5. As adviser to an affiliated private hedge fund.

The following is a brief description of each arrangement:

1. Affiliated Registered Funds

Redwood serves as the investment adviser to affiliated registered mutual funds ("Redwood Mutual Funds") and affiliated registered ETF(s) (together known as "Redwood Funds"). Redwood manages the Redwood Funds' portfolio assets based on the specific investment objectives and restrictions as outlined in each Redwood Fund prospectus and within statements of additional information, rather than on the individual needs and objectives of the Redwood Funds' shareholders. Prior to investing, shareholders should consider whether the investment strategy of the Redwood Funds meet their investment objectives and risk tolerance. Please refer to the respective Redwood Fund prospectus(es) for a complete description of the investment objective and risks pertaining to the Redwood Funds, which are available by contacting us at (310) 272-8185.

Redwood also serves as the investment adviser to the Redwood Managed Volatility Portfolio ("Redwood VIT Fund"). Shares of the Redwood VIT Fund are not offered directly to the public, but rather are available as underlying investment options for variable life insurance and variable annuity products issued by unaffiliated insurance companies. These insurance companies are the record owners of the separate accounts holding the Redwood VIT Fund shares. The insurance companies then cause the separate accounts to purchase and redeem portfolio shares according to the investment options chosen by the policyholder. Individual variable annuity contract holders and flexible premium variable life insurance policyholders are not shareholders of the Redwood VIT Fund. However, clients of Redwood may be holders of variable annuity contracts and variable life insurance policies whose separate accounts invest in the Redwood VIT Fund. The investment objective is provided in the Redwood VIT Fund prospectus. Redwood manages the Redwood VIT Fund portfolio assets based on the specific investment objectives and restrictions as outlined in the Redwood VIT Fund's prospectus and statement of additional information, rather than on the individual needs and objectives of the insurance carrier and/or policyholder. Please refer to the Redwood VIT Fund prospectus for a complete description of the investment objective and risks pertaining to the Redwood VIT Fund.

Some of the Redwood Funds invest in derivatives, which include, without limitation, total return swaps, credit default swaps, credit derivative indices, or swap instruments, as a form of leverage and/or exposure, at times. Important additional information about the types of derivatives and associated risks with the use of such derivatives used in the Redwood Funds is found in the respective prospectuses, which are available upon request by contacting us at operations@redwoodim.com. While Federal law limits the bank borrowings to one-third of a fund's assets (which includes the borrowed amount), the use of derivatives is not limited in the same manner. Federal law generally requires a fund to segregate or "earmark" liquid assets or otherwise cover the market exposure of its derivatives, including swap contracts. When utilizing leverage, the Redwood Funds will borrow money to enter into swap contracts that leverage certain of the Redwood Fund's portfolios to a significant degree. The Redwood Funds are diversified series of the Two Roads Shared Trust, an Investment Company registered under the Investment Company Act of 1940.

2. Sub-Advisory Services: Non-Affiliated and Affiliated

Sub-Advisory Agreement with Non-Affiliated Investment Advisor
Redwood provides services under sub-advisory agreements to TPAs who have engaged and directed Redwood to manage a portion of their clients' assets ("Sub-advisory Portfolios"). Under this arrangement, Redwood provides discretionary management as directed by the TPA for TPA client assets and typically conducts transactions through a trading platform that the TPA has selected, which receives a fee for this and other services as further described in Item 5. The TPA is ultimately responsible for suitability and for supervising the management of the account, which includes monitoring the investment management services provided to their clients by Redwood. Terms related to Redwood's services are provided for in the sub-advisory agreement between Redwood and the TPA.

In exercising investment discretion, Redwood will include Redwood Funds as securities in the Sub-advisory Portfolios, when Redwood believes it is appropriate. Typically, Redwood is compensated directly from the TPA, rather than from the TPA clients' accounts. Thus, Redwood will receive both a sub-advisory fee from the TPA as well as a management fee as the manager of the Redwood Funds. This presents a conflict of interest since Redwood receives additional fees that it would not have otherwise received but for its role as manager of the Redwood Funds. Please refer to Item 5 for additional information on fees.

Sub-Advisory Agreement with Affiliated Investment Advisor
Redwood has entered into a Sub-Advisory Agreement with Mulholland Wealth Advisors, LLC ("Mulholland"), an affiliated SEC registered investment adviser firm, whereby Redwood provides sub-advisory investment and administrative services to Mulholland. Redwood and Mulholland are under the same common control with similar ownership. Mulholland provides investment advice to non-affiliated TPAs, individuals, high net worth individuals, pension and profit-sharing plans, trusts, estates, and corporations. Please see Item 10 and Mulholland's Form ADV Part 2A for more information.

3. Separately Managed Account Clients

Redwood provides discretionary investment advice to certain individuals, high net worth individuals, pension and profit-sharing plans, trusts, estates, and corporations that have entered into an investment management agreement with Redwood. Redwood also manages the client sub-accounts contained within a variable annuity/life product owned by an individual client.

Redwood's solicitors request that each SMA client complete its Client Investment Objective form to help determine if Redwood's strategies fit the client's investment needs. Redwood's investment strategies for SMA clients typically are not customized (outside of accepting, at Redwood's sole discretion, investment restrictions imposed by the client). Therefore, SMA clients must carefully consider whether Redwood's strategies meet their investment objectives and risk tolerance.

From time-to-time Redwood does customize its SMA services to certain high net worth individuals. In these circumstances, the individual strategy is further defined in the Client Investment Objective form, and Redwood manages the account(s) in accordance with the client's specific needs and investment objectives. Clients brought on prior to the implementation of the Client Investment Objective form are exempt from this requirement.

Redwood does not and will not assume any responsibility for the accuracy of the information provided by the client. Please refer to Item 8 for further information on our methods of analysis and the types of securities utilized.

Redwood will not maintain custody of SMA client assets, which are deposited in a brokerage firm. Please refer to Item 15 for further information on custody.

Additionally, Redwood's solicitors play an important role in introducing new SMA clients to the firm. Please refer to Items 5 and 14 for additional information.

In exercising investment discretion, Redwood includes Redwood Funds as investments in its SMA portfolios, when Redwood believes it is appropriate and in line with client investment objectives. Under this circumstance, Redwood will receive both an advisory fee from the client as well as a management fee as the manager of the Redwood Funds. This presents a conflict of interest since Redwood receives additional fees that it would not have otherwise received but for its role as manager of the Redwood Funds. Please refer to Item 5 for additional information on fees.

4. Model Portfolio Strategies

Redwood provides services under written agreement to non-affiliated third party independent registered investment advisers ("TPAs"), wherein Redwood provides the TPA with certain fee-based model portfolios for their client's assets ("TPA Model Portfolios"). While Redwood has ongoing discretion over the selection of the securities held within the TPA Model Portfolios, the Firm does not manage or have discretion to transact on behalf of any TPA client accounts.

As a discretionary manager, Redwood includes its Redwood Funds as a holding within its model portfolios when Redwood believes it is appropriate.[1] When this occurs, Redwood will receive both an advisory fee from the TPA for the TPA Model Portfolios as well as a management fee as the manager of the Redwood Funds. This presents a conflict of interest since Redwood receives additional fees that it would not have otherwise received but for its role as manager of the Redwood Funds. Please refer to Item 5 for additional information.

5. Affiliated Private Hedge Fund

Redwood serves as the investment manager to the Redwood Managed Risk Plus L.P. ("Private Fund") and is the managing member of the Private Fund's general partner, Redwood Managed Risk GP, LLC.

Those Redwood clients who are qualified to invest in the Private Fund are solicited, if deemed suitable for the client. The Private Fund is only offered to "accredited investors" as defined under Regulation D of the Securities Act of 1933 ("Securities Act") who are "qualified clients" as set forth in Rule 205-3 under the Advisers Act. In certain circumstances, Redwood may accept an investment from an "accredited investor" who is not "a qualified client" as such term is defined in Rule 205-3 under the Investment Advisers Act of 1940, as amended. Redwood manages the Private Fund's assets based on the specific investment objectives and restrictions of the Private Fund, as outlined in the Private Fund's Offering Memorandum, rather than on the individual needs and objectives of the Private Fund investors. Please refer to the Private Fund's offering documents for a complete description of the investment objective and risks pertaining to the Private Fund.

C. Redwood Strategies and Portfolios

Redwood seeks to offer clients a variety of unique investment management strategies and/or comprehensive portfolio allocations. Please refer to Item 8 for a description of our methods of analysis and the risks surrounding these strategies. Redwood cannot guarantee that the strategies' objectives will be met. Furthermore, a client's assets can fluctuate and at any time be worth more or less than the original amount invested.

It is important to note that specific holdings may differ between clients in the same strategy or with similar investment objectives/risk tolerance depending on a number of factors, including, but not limited to, the size of an account, availability of securities and funds on a custodial platform, total assets under advisement, and institutional fund minimum waivers. Depending on the holdings or securities, results may vary. Furthermore, investment decisions for SMA client account strategies typically are not tailored to the individualized needs of any particular client. Therefore, SMA clients must consider whether the strategy meets their investment objectives and risk tolerance.

[1] Redwood's inclusion of affiliated mutual funds in its Model Portfolio Strategies is subject to change at the sole discretion of Redwood at any time.

As a part of many of Redwood's strategies, Redwood may at any time move money into a money market fund, government security fund or cash instrument if, in Redwood's sole discretion, Redwood believes it is in the best interest of its clients to do so. Each strategy will be memorialized in the client's respective Client Investment Objective form.

D. <u>Advisory Agreements and Client Needs</u>

Each client is required to enter into a discretionary investment management agreement with Redwood prior to the commencement of advisory services. The advisory relationship will continue until terminated by the client or Redwood in accordance with the provisions of the agreement.

SMA clients as well as Redwood's sub-advisory clients may impose reasonable restrictions on their account. Redwood reserves the right to not accept and/or terminate management of a client's account if it feels that the client-imposed restrictions would limit or prevent Redwood from meeting and/or maintaining the account's overall investment strategies.

Upon receipt of notice of termination of any account in accordance with the terms of the investment management agreement, Redwood will commence the termination process which will follow any received client instructions relating to the terminated account(s). If the termination involves liquidation, then generally the process will be completed within five (5) days, but in some cases the process may take longer. If the client requests the account to be transferred in-kind to another custodian, the client will be responsible for any additional custodial transfer fees. Upon termination, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable. Redwood will not refund prepaid or unearned fees if it is of a de minimis amount (less than $25). The client will also be responsible for any closure fee charged by the custodian.

<u>Redwood and Client Process</u>

Prior to entering into an investment management agreement with Redwood, a client should carefully consider:

1. Committing to management only those assets that the client believes will not be needed for current purposes and that can be invested on a long-term basis;
2. That over time the client's assets may fluctuate and at any time be worth more or less than the amount invested;
3. Because market cycles unfold over many months or years, Redwood's strategies are designed for investors who practice patience with a time horizon of 5-7 years (e.g. a typical full market cycle).

E. <u>WRAP Fee Programs</u>

Redwood does not participate in wrap fee programs.

F. <u>Amount of Client Assets Managed as of December 31, 2021:</u>

The following represents the amount of client regulatory assets under management by Redwood on a discretionary basis:

Type of Account	**Regulatory Assets Under Management ("RAUM")**
Discretionary	$2,441,903,849
Non-Discretionary	$0
TOTAL:	$2, 441,903,849

<u>Additional assets not included above but invested in Redwood's Model Portfolios:</u>

In addition to Redwood's regulatory AUM listed above, the amount of outside assets that have been invested in Redwood's model portfolios by non-affiliated TPAs is $124,838,541**.** Please see Item 4B for more information on these services.

In addition, as of 12/31/2021, business derived from our solicitors that is included in the above RAUM equated to approximately 3% of total RAUM for Redwood; please refer to Items 5 and 14 for additional information related to Redwood's solicitor arrangements

ITEM 5: FEES AND COMPENSATION

Below is information on the fees paid to Redwood for the various arrangements listed in Item 4 above. Redwood provides investment advice on a *fee-only* basis.

A. Affiliated Redwood Funds Fees

For our affiliated funds, Redwood is paid the following:

- Redwood Managed Volatility Fund: an annual management fee of 1.25% of the daily net assets.
- Redwood Managed Volatility Portfolio (VIT): an annual management fee of 1.25% of the daily net assets.
- Redwood Managed Municipal Income Fund: an annual management fee of 0.70% of the daily net assets.
- Redwood Systematic Macro Trend ("SMarT") Fund: an annual management fee of 1.00% of the daily net assets.
- Redwood AlphaFactor® Tactical International Fund: an annual management fee of 0.90% of the daily net assets.
- LeaderShares® AlphaFactor® US Core Equity ETF: an annual management fee of 0.75% of the daily net assets.
- LeaderShares® AlphaFactor® Tactical Focused ETF: an annual management fee of 0.99% of the daily net assets.
- LeaderShares® Activist Leaders® ETF: an annual management fee of 0.75% of the daily net assets.
- LeaderShares® Equity Skew ETF: an annual management fee of 0.75% of the daily net assets.
- LeaderShares® Dynamic Yield ETF: an annual management fee of 0.75% of the daily net assets.

Fees for the Redwood Funds listed above are paid monthly in arrears and are based on the assets of each of the specific Redwood Funds portfolio. Specific management fee and related expense information may be found in the prospectuses and statements of additional information for the Redwood Funds, which should be read carefully before investing. No performance fees are charged to the Redwood Funds.

Mutual funds generally offer multiple share classes available for investment based upon certain eligibility and/or purchase requirements. Redwood Mutual Funds institutional share classes are specifically designed for purchase by investors who meet certain specified eligibility criteria, including, for example, whether an account meets certain minimum dollar amount thresholds (*e.g.,* most notably, class I, N and Y shares[2]). N share classes have a higher expense ratio than I and Y share classes. Redwood will continuously monitor and review these selections to ensure that investments are done in the best interest of the client.

Redwood conducts periodic reviews of client holdings in mutual fund investments to ensure the appropriateness of mutual fund share class selections and whether alternative mutual fund share class selections are available that might be more appropriate given the client's particularized investment objectives and circumstances and monitoring of expenses imposed on mutual fund clients. The appropriateness of a particular mutual fund share class selection is dependent upon a range of different considerations, including but not limited to: the asset-based advisory fee that is charged, whether transaction charges are applied to the purchase or sale of mutual funds, the overall cost structure of the advisory program, operational considerations associated with accessing or offering particular share classes (including the presence of selling agreements with the mutual fund sponsors and Redwood's ability to access particular share classes through the custodian), share class eligibility requirements; and the availability of revenue sharing, distribution fees, shareholder servicing fees or other compensation associated with offering a particular class of shares. Please contact your representative for more information about share class eligibility.

B. Sub-Advisory Fees

Redwood is paid an annual fee from each TPA for its sub-advisory services, which is negotiable and varies based upon the strategies and services provided by the Firm. In most cases, the fee will be paid monthly or quarterly in advance or arrears (as specified in each sub-advisory agreement) and will be based on a percentage of each TPA's client account assets sub-advised and managed by Redwood. The TPA is responsible for calculating the sub-advisory fee and compensates Redwood in accordance with the terms outlined within the sub-advisory agreement. Currently, all compensation comes

[2] Please note that N class mutual fund shares offered by Redwood have a 12b-1 fee assessed, while the Class I and Y shares do not. Please refer to the respective prospectuses for important additional information. A prospectus can be obtained by contacting us at operations@redwoodim.com.

directly from the TPA and is not deducted from the TPA clients' accounts by Redwood pursuant to the terms outlined in the Sub-advisory Agreement.

As referenced in Item 4, Redwood includes Redwood Funds as securities in the Sub-advisory Portfolios, when Redwood believes it is appropriate. Currently, Redwood is compensated directly from the TPA. Thus, Redwood will receive both a sub-advisory fee from the adviser as well as a management fee as the manager of the Redwood Funds. This presents a conflict of interest since Redwood receives additional management fees that it would not have otherwise received but for its role as manager of the Redwood Funds. Moreover, the primary owner and principal of Redwood, Michael Messinger, will be receiving an economic benefit directly. Redwood and Mr. Messinger attempt to mitigate this conflict by only doing what is suitable for the Sub-advisory Portfolios, and ultimately, is in the sub-advisory clients' best interest. Please see Item 10 for additional information.

The TPA's Sub-advisory client will be assessed additional fees and expenses by the TPA trading platform (as applicable), and the TPA's advisory fee, which are further detailed in the TPA's Form ADV Part 2A Brochure.

In addition, Sub-advisory accounts will incur certain fees or charges imposed by third-parties other than Redwood in connection with investments or recommendations made by the Firm. These fees and charges are separate and distinct from the fees or charges stated above and include, but are not be limited to: mutual fund 12b-1 fees, certain deferred sales charges on previously purchased mutual funds and ETFs transferred into the account, other transaction related fees, IRA and Qualified Retirement Plan fees, interest charged on margin borrowing, interest charged on debit balanced, "spreads" imposed by brokers and dealers representing implicit transaction costs, commissions and transfer taxes. Information regarding fees or expenses assessed by any mutual funds and ETFs held in client accounts is available in the appropriate offering documents of these investment products, which should be read carefully prior to purchase. Please see Item 5.F. below for additional information.

C. Portfolio Management Fees for Separately Managed Accounts

The actual management fee charged to each client by Redwood will be outlined in the written investment management agreement entered into between Redwood and the client. Our fee schedule is based on the total household account value. Redwood client's annual management fee is 1.55%.

As referenced in Item 4, Redwood includes Redwood Funds as securities in the Separately Managed Accounts (SMA), when Redwood believes it is appropriate. Currently, Redwood is compensated directly from the SMAs. Thus, Redwood will receive both a SMA fee as well as a fee as the manager of the Redwood Funds. This presents a conflict of interest since Redwood receives additional management fees that it would not have otherwise received but for its role as manager of the Redwood Funds

Typically, a minimum of $500,000 of assets under management is generally required to directly open a SMA with Redwood. For clients introduced to Redwood through a solicitor, a minimum of $50,000 of assets under management generally is required. However, accounts less than $50,000 may be accepted in Redwood's sole discretion. In addition, if Redwood receives a referral from a solicitor for a SMA client, a significant portion of the client's annual management fee (generally, 65% or more of a client's management fee) is paid to the solicitor for services provided, as outlined and pursuant to the terms of the Solicitor's Agreement negotiated between solicitor and Redwood. Please see Item 14 for additional information relating to our solicitor's roles and relationship with Redwood.

Minimums listed above are based on the total household[3] account value. Advisory fees and account minimums are negotiable in the sole discretion of Redwood. Redwood does, from time to time, vary or waive investment management fees or account minimums in its sole discretion, including for Redwood employees and family members. Redwood has a significant number of accounts below the listed minimums.

[3] A household is defined as those persons who reside at the same residence who are related, through birth, marriage or adoption or who has been lawfully claimed as a dependent on the most recent federal income tax return of another member of the household.

Advisory fees are deducted in advance at the beginning of each calendar quarter and are based on the total market value of the client's account from the last day of the previous quarter end. Should a client open an account midway through a quarter, a prorated fee is charged from the date of the contribution through the quarter-end at the beginning of the following quarter. Should a client close an account midway through a quarter, a prorated refund fee is promptly credited back to the client from the date of the withdrawal through the quarter-end. Upon termination of an account, Redwood will not refund prepaid or unearned fees if it is of a de minimis amount (*i.e.,* less than $25). A prorated fee is charged for client contributions from the date of the contribution through the quarter-end for any *significant* contributions, defined as $10,000 or more. A prorated fee is credited back for client withdrawals from the date of the withdrawal through the quarter-end for any *significant* withdrawals, defined as $10,000 or more.

Payment of Redwood's fees are deducted from each client's account on a quarterly basis by their custodian and paid directly to Redwood, unless otherwise directed in writing by a client. The consent for deduction of fees is contained in the written agreement the client enters into with Redwood.

The custodian will deliver a monthly/quarterly account statement directly to the client, which will include all transactions that took place in the account during the period covered and reflect any fees deducted and paid to Redwood. Clients should review the fees charged to their account(s) to fully understand the total amount of all fees charged. Clients are encouraged to review their account statements for accuracy and compare to any reports received by Redwood.

Additionally, Redwood purchases and/or sells shares of the Redwood Funds for a large majority of SMAs and/or may invest a client's variable annuity contracts or variable life insurance policies owned by the client in the Redwood VIT Fund. The client will be subject to other fees and expenses applicable to funds and insurance products. These fees and expenses are outlined in the offering documents of these investment products, which should be read carefully prior to purchase. Please refer to Item 5.D below for information on the fees received by Redwood by the Redwood Funds for management services.

In addition, if Redwood receives a referral from a solicitor for a SMA client, a significant portion of the client's annual management fee will be paid to the solicitor as compensation for the client referral. Please see Items 4 and 14 for additional information relating to our solicitor relationships.

D. Model Portfolio Fees

Redwood is paid an annual fee (which ranges from 0.40% - 0.70%, depending on the strategy), from each TPA for its Model Portfolio services. Model Portfolio Fees are materially different than other strategy fees mainly due to the portfolios being non-discretionary. Redwood's Model Portfolio Fees are negotiable and can vary dependent on the model strategy and services provided as further memorialized in the TPA's agreement with Redwood. Fees are paid by the TPA either in advance or arrears as specified in the written agreement with Redwood and are based on a percentage of the aggregate fair market value of all TPA client accounts' Model Portfolio assets as calculated by the TPA, unless otherwise specified in the contract. Upon termination, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable. Redwood will not refund prepaid or unearned fees if it is of a de minimis amount (less than $25). As referenced in Item 4, Redwood includes Redwood Funds as securities in its model portfolios when it believes it is appropriate. When this occurs, Redwood will receive both an advisory fee from the TPA for the TPA Model Portfolios as well as a management fee as the manager of the Redwood Funds. This presents a conflict of interest since Redwood receives additional fees that it would not have otherwise received but for its role as manager of the Redwood Funds.

E. Affiliated Private Fund Fees

The Private Fund investor is charged an annual management fee for each series (Series A and Series B) as of the last business day of each calendar month in arrears equal to 1.50% of the total capital account balance of each limited partner in the Private Fund as of the last business day of each month. The Private Fund also is charged a performance-based fee, which differs depending on the series (please refer to Item 6 below for details regarding performance-based fee and the conflicts associated with such types of fees). Redwood may, from time to time, vary or waive its investment management and/or performance-based fee, in its sole discretion, including for Redwood employees. Specific information about management and performance fees, as well as related expenses and billing, are outlined in the Private Fund's offering documents, which should be read carefully before investing.

F. Other Fees and Important Considerations

All management fees paid to Redwood for the services it provides to clients are separate and distinct from the fees and expenses charged by third parties. These separate fees and expenses include, but are not limited to, custodial fees, execution costs, and underlying fund and exchange-traded fund fees and expenses. Client assets may also be subject to transaction fees, retirement plan administration fees (if applicable), trustee fees, 12b-1 fees, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. In regards to transaction fees, Redwood manages client accounts custodied at TD Ameritrade that follow different transaction cost application methods. Redwood does not receive any remuneration from transaction cost, nor does Redwood make any guarantees as to one application method being more advantageous than another. It is important for clients to review their fees. For mutual funds and exchange-traded funds, a client may be charged internal management fees, distribution fees, redemption fees and other expenses, which are fully described in the applicable fund's prospectus. On occasion, Redwood may purchase a mutual fund for client accounts that has a short-term redemption fee. If Redwood or the client sells during the specified redemption period, the sale will result in a fee that is deducted from the sale proceeds.

There can be times, such as during high market volatility, when a money market fund or money market sweep vehicle utilized by Redwood or a client's custodian for investing client assets will charge a liquidity/redemption fee to their investors upon redemption from the money market fund/vehicle. These funds also have the ability to halt redemptions for up to 10 business days, within any 90-day period. Additionally, certain mutual funds invested in by Redwood clients also may have the ability to halt redemptions for a period of time. Generally, money market funds and mutual funds do not charge a redemption fee in addition to halting redemption activity. However, it is important that Redwood clients read each fund's prospectus to fully understand the additional fees paid and redemption restrictions, along with the risks associated with the investments. Please also refer to Item 8 below for further information on the risks pertaining to mutual funds.

Redwood does not receive any portion of these other fees and expenses, with the exception of when clients invest in the Redwood Funds. As mentioned in Item 5.D above, Redwood receives fees for the management of the portfolio assets of Redwood Funds. Clients should review the fees charged to their account(s) to fully understand the total amount of all fees charged. Clients should understand that lower fees for comparable services may be available from other investment advisory firms.

In accordance with Rule 204-3 under the Investment Advisers Act of 1940, as amended ("Advisers Act"), Redwood will provide a current copy of Form ADV Part 2A and relevant brochure supplements to each client or prospective client prior to or the same time as the execution of a written investment management agreement with Redwood. After that, the written agreement between Redwood and the client will continue in effect until terminated by either party pursuant to the terms of the agreement and fees will be due or refunded, as applicable.

Neither Redwood nor the client may assign the written investment management agreement without the consent of the other party as further described in Redwood's Investment Management Agreement. Transactions that do not result in a change of actual control or management of Redwood shall not be considered an assignment. Please see Item 12 for more information on Brokerage Practices.

Redwood reserves the right to waive or reduce the account minimums, management fee and/or performance fee with respect to any client, or with respect to any individual investor in the Private Fund, including but not limited to accounts for Redwood employees and/or family members. In addition, Redwood may negotiate fees with future clients and/or investors that are different than the fees discussed herein. Some of the factors relevant to charging different fees to those fees stated herein are: account size, the investment strategy and the nature of the relationship between the potential client and Redwood.

ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

The Private Fund may be charged a performance-based fee by the General Partner. In that scenario, Redwood would indirectly benefit since the General Partner is an affiliate of Redwood and has common ownership. Complete details of the performance fee charged are outlined in the Private Fund's offering documents, which should be read carefully prior to investing. Performance fees may only be charged to *qualified clients,* as such term is defined under Rule 205-3 of the Advisers Act.

Importantly, performance-based fee arrangements may create an incentive for Redwood to recommend investments that may be riskier or more speculative than those which would be recommended under a different fee arrangement. Such fee arrangements also create an incentive to favor higher fee-paying accounts over other accounts in the allocation of investment opportunities. Additionally, the performance-based fee structure could also cause the portfolio managers responsible for the portfolios to devote a disproportionate amount of time to their management, and compensation may be larger than it otherwise would have been because the fee/incentive allocation will be based on account performance instead of a percentage of assets under management.

To address these conflicts, Redwood has adopted certain procedures designed to mitigate the effects of these conflicts. For example, as part of Redwood's fiduciary duty to clients, Redwood and its employees will endeavor always to put the interests of clients first, and recommendations will only be made to the extent that they are reasonably believed to be in the best interests of Redwood clients.

Regarding side-by-side management of performance fee accounts and non-performance fee accounts, clients that are charged different types of fees creates conflicts of interest between Redwood and Redwood clients, in addition to the conflicts listed above. For example, charging performance-based fees could incentivize Redwood to allocate more favorable investments to accounts paying a performance fee. To address and help mitigate these conflicts of interest, Redwood has adopted detailed policies and procedures regarding portfolio management and trading and also has implemented the following:

1. Redwood's portfolio management process is designed to ensure the fair allocation of investment opportunities among clients of every type, the consistency of portfolios with clients' investment objectives and selected strategies, correct and complete disclosures by Redwood, and compliance with applicable regulatory restrictions.
2. If ever applicable, effort is made to aggregate orders for all client types, with each participating account receiving an average share price for executed trades.
3. Redwood's soft dollars policy is designed to be in accordance with the Safe Harbor provisions of Section 28(e) of the Securities Exchange Act of 1934 ("Section 28(e)" or "28(e)") and we perform periodic reviews of our trade execution and soft dollar arrangements.
4. Redwood's Chief Compliance Officer conducts a periodic review of client accounts, the portfolio management process and the allocation of investment opportunities to ensure that all are conducted in accordance with our written policies and procedures and federal securities regulations.

It is important to recognize that as it pertains to employing leverage and risks associated with such, Redwood may trade more frequently in strategies or products that employ leverage.

ITEM 7: TYPES OF CLIENTS

Redwood provides discretionary investment advice to certain individuals, high net worth individuals, pension and profit-sharing plans, trusts, estates, corporations, other investment advisory firms, affiliated mutual funds and ETFs, and an affiliated private hedge fund. Redwood also provides model portfolios to other investment advisors and serves as a sub-advisor to other investment advisers. For additional information on minimums and clients please see Items 4 and 5 above.

As an investment adviser, Redwood has special and additional fiduciary responsibilities under the Employee Retirement Income Security Act of 1974 ("ERISA") and the Internal Revenue Code Section 4975 ("IRC 4975"). On April 10, 2016 the DOL changed the definition of a fiduciary to greatly expand the scope as well as the timing upon which fiduciary status is conferred. Under ERISA, a Fiduciary is anyone who makes a "*recommendation*" to a "*retirement investor*" and receives any "*direct or indirect compensation*." Fiduciary status is conferred upon making the recommendation to a prospective new client. The definition of a "retirement investor" includes participants and beneficiaries of an ERISA plan, owners of solo-participant plans such as IRAs, and fiduciaries to a solo-participant or ERISA plan such as plan fiduciaries. The definition also includes Health Savings Accounts ("HSAs"), Medical Savings Accounts ("MSAs") and Coverdell Education Savings Accounts ("Educational IRAs").

As a fiduciary and party-in-interest to a retirement investor, RIM has developed written policies and procedures to follow certain standards of conduct, including compliance with any applicable prohibited transaction rules governing its relationship to the retirement investor. Generally, these disclosures are contained in this Form ADV Part 2A, the client agreement and/or in separate ERISA disclosure documents and are designed to enable the ERISA plan's fiduciary to: (1) determine the reasonableness of all compensation received by Ascension; (2) identify any potential conflicts of interests; and (3) satisfy reporting and disclosure requirements to plan participants.

ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISKS

A. Methods of Analysis and Investment Strategies

Redwood uses quantitative driven process in construction and implementation of its strategies and portfolio allocations. Please see Item 8B below for important factor risk factors related to our quantitative models and strategies. To help develop its strategies and recommendations, Redwood primarily uses in-house analysts and in-house portfolio managers, using commercially available services, financial publications and information services dealing with investment research. Such information may be obtainable in print, on computer media, via the Internet or via some other electronic means. Company prepared materials (particularly prospectuses) and research releases prepared by others are utilized. Redwood also uses research materials prepared by various investment product vendors. These research products provide a comprehensive quantitative analysis tool, which allow Redwood to analyze performance and risk measurements to aid in constructing portfolios consistent with Redwood's strategy objectives. Redwood primarily utilizes mutual funds and exchange traded funds (ETFs) and individual equity securities.

Active Management - For a number of Redwood strategies, Redwood will at any time move money into a money market fund, government security fund or cash instrument if, in Redwood's sole discretion, Redwood believes it is in the best interest of its clients to do so. Active management does not ensure a profit and may not protect against loss in declining markets.

Diversification – In certain cases, Redwood attempts to create comprehensive, diversified portfolios as a means to reduce the risks associated with concentrated portfolios. It should be noted that while diversification seeks to reduce risk, a properly diversified portfolio will normally contain positions which will perform at variance to other positions. Diversification does not ensure a profit and may not protect against loss in declining markets.

B. Risks

Clients should be aware that Redwood's actual management of their account can materially differ from that of the quantitative model based on a variety of factors, including the timing of contributions and withdrawals, account start dates, actual fees paid, and specific funds utilized. Moreover, Redwood has discretion in the timing and implementation of the trade signal and has discretion not to follow any trading signal generated. In addition, specific securities used within Redwood's quantitative models and strategies will differ from client account holdings dependent on the availability of the fund on the custodian's platform, the client's ability to satisfy the account minimum of the fund and other factors. Please confer with your financial professional for additional information. It is important to note that the trading strategy used for our tactical quantitative models involves the use of different securities pursuant to which Redwood exchanges assets between the securities and money markets or government bond funds. Redwood's quantitative models and strategies are continuously evolving, and the selection of our securities are not static, may differ from account to account and are subject to change in the future. Redwood's investment decisions to trade a client account will be based on point in time data (of the most up to date version of the model) and that current model's version of the model generated buy or sell. Performance, holdings and investment implementation of actual client accounts can and will materially differ from the date that a particular signal would have been generated by a previous version of the model.

Redwood's investment recommendations are subject to various markets, currency, economic, political and business risks, and such investment decisions may not always be profitable. Clients should be aware that there may be a loss or depreciation to the value of the client's account, which the client should be prepared to bear. When investing in Redwood's strategies and portfolios, the Client is aware that Redwood may (and in certain cases will) heavily overweight specific sectors in adherence to the specific strategy philosophy. Redwood does not represent, guarantee or imply that the services or methods of analysis employed can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. In addition, there is no assurance that a mutual fund, an ETF, or any security will achieve its investment objective.

The principal risks of investing in any security, mutual fund or ETF include, but are not limited to, market risk: the chance the stock market as a whole, or the value of an individual security or fund value will decline; equity market risk: common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in, and perceptions of, their issuers change; fixed income risk: when investing in bonds, there is the risk that an issuer will default on the bond and be unable to make payments – additionally there is a risk that inflation may erode spending power for those that depend on a set amount of periodically paid income; diversification risk: the chance an investment's performance may be hurt disproportionately by the poor performance of an investment's holdings – the use of indexed funds is not guaranteed to track an intended market and may carry additional product risks; sector risk: the chance that significant problems will affect a particular sector, or that returns from that sector will trail returns from the overall market; and style risk (for example growth investing risk and mid-cap company risk).

Additional risks when investing in a mutual fund are investment company risk of the mutual fund itself and additional fees. Additional risks when investing in ETFs are the following: ETF share prices may significantly fluctuate from their underlying net asset value leading to receiving more or less than the net asset value when those shares are sold; trading may be halted by (1) the activation of individual or market wide "circuit breakers" (which halt trading for a specific period of time when the price of a particular security or overall market prices decline by a specified percentage), (2) if the shares are delisted without first being listed on another exchange, or (3) exchange officials determine that such action is appropriate in the interest of a fair and orderly market or to protect investors.

Although a mutual fund or ETF may be a diversified fund, it may invest in securities of a limited number of issuers to achieve a potentially greater investment return than a fund that invests in a larger number of issuers. As a result, price movements of a single issuer's securities will have a greater impact on this fund's net asset value causing it to fluctuate more than that of a more widely diversified fund. These and other risk considerations are discussed in a fund's prospectus, which can be obtained by contacting Redwood at operations@redwoodim.com. Past performance of investments is no guarantee of future results.

Mutual funds reserve the right to reject purchases or delay redemptions, sometimes after the "Purchase decision" or "Redemption decision" is made. These rights may affect Redwood's efforts to manage risk for the client. In addition, it is possible for the value of a mutual fund to fall (or to rise more slowly than the stock market as a whole) even when stock prices in general are rising. Risk is involved in fund selection as well as in the timing of trades. The number of mutual funds that allow for unrestricted trading is limited, and the selection of mutual funds in which Redwood can invest in accordance with its trading strategies is therefore limited to that extent. Mutual funds with which Redwood trade may underperform other mutual funds that have trading restrictions. On occasion, Redwood may purchase a mutual fund for client accounts that has a short-term redemption fee. If Redwood or the client sells that fund during the specified redemption period, the sale will result in a fee that is deducted directly from the client's account.

Redwood uses its best judgment and good faith efforts in providing advisory services to clients. Not every investment decision or recommendation made by Redwood will be profitable. Investments in securities are subject to various market, currency, inflation, economic, political and business risks. Redwood attempts to minimize these risks by using technical indicators and trading strategies.

If margin is used to purchase additional securities, the total value of account assets increases, as does the asset-based fee. In addition, the account is charged margin interest on the debit balance in the account. Notably, the increased asset-based fee presents a potential conflict since there may be an incentive for Redwood to implement the use of margin. Additionally, the use of margin increases leverage in an account and therefore increases overall risk.
As part of the strategy for some of the Redwood Funds, Redwood employs the use of leverage at times. As part of the strategy for the Private Fund, Redwood will employ the use of leverage. Leverage is the use of debt to finance an activity. As it pertains to the Redwood Funds: while Federal law limits the bank borrowings to one-third of the fund's assets (which includes the borrowed amount), the use of derivatives is not limited in the same manner. Federal law generally requires a fund to segregate or "earmark" liquid assets or otherwise cover the market exposure of its derivatives, including swap contracts. When utilizing leverage, some of the Redwood Funds will borrow money to enter into swap contracts that may leverage the funds' portfolios to a significant degree. There are risks pertaining to the Redwood Funds, and the Private Fund that are outlined in detail in each fund's prospectus and/or offering documents. It is important for potential investors to fully read the prospectus, statement of additional information, and offering documents, as applicable, before investing.

To the extent that a Redwood invests clients in particular types of asset classes, securities and/or debt instruments, certain risks exist which clients should be aware of. This includes, but is not limited to, the following:

- **Market Risk:** The price of the security can drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. Local, state, regional, national or global events such as war, acts of terrorism, a pandemic in the spread of infectious illness or other public health issues, such as what was experienced during the COVID-19 pandemic, recessions, or other events could have a significant impact one's portfolio and its investments and could result in decreases to an investor's portfolio value.
- **Management Risk:** The risk that investment strategies employed by the Adviser in selecting investments may not result in an increase in the value of your investment or in overall performance equal to other similar investment vehicles having similar investment strategies. Management risk includes the risk that the quantitative model used by the Adviser may not perform as expected, particularly in volatile markets. In addition, the tactical asset allocations strategy may be unsuccessful and may cause the portfolio to miss attractive investment opportunities while in a defensive position.
- **Equity Risk:** Historically, the equity markets have moved in cycles, and the value of equity securities can fluctuate significantly from day-to-day. Individual companies may report poor results or be negatively affected by industry and/or economic trends and developments. The prices of securities issued by such companies can suffer a decline in response. These factors contribute to price volatility.
- **Business Risk:** This risk is associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- **Foreign Risk:** Investments in foreign securities pose special risks, including currency fluctuation and political risks, and such investments can be more volatile than that of a U.S. only investment. The risks are generally intensified for investments in emerging markets.
- **Currency Risk:** Foreign investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.

- **Political and Legislative Risk:** Companies face a complex set of laws and circumstances in each country in which they operate. The political and legal environment can change rapidly and without warning, with significant impact, especially for companies operating outside of the United States or those companies who conduct a substantial amount of their business outside of the United States.
- **Model Risk:** Model-based strategies that may not be successful on an ongoing basis or could contain unknown errors. In addition, the data used in models may be inaccurate.
- **Credit Risk**: The risk that principal and/or interest on a fixed income investment will not be paid in a timely manner or in full due to changes in the financial condition of the issuer. Generally, the higher the perceived credit risk, the higher the rate of interest investors will receive on their investment.
- **Interest Rate Risk**: The risk that the value of an interest-bearing investment will change due to changes in the general level of interest rates in the market. The market value of a bond fluctuates inversely to the change in interest rates; that is, as interest rates rise, bond prices fall and vice versa.

  Interest rate risk is commonly measured by a bond's duration; the greater a bond's duration, the greater the impact on price of a change in interest rates. Investors can incur a gain or loss from bonds sold prior to the final maturity date. Many bonds are rated by a third party Nationally Recognized Statistical Rating Organization (NRSRO), for example, Moody's Investor Services or Standard & Poor's Inc. While ratings may assist investors to determine the creditworthiness of the issuer, they are not a guarantee of performance. U.S. Treasury bills, notes and bonds are guaranteed by the full faith and credit of the United States and therefore are deemed to carry no risk of default.
- **Reinvestment Risk**: The risk that interest and principal payments from a bond will be reinvested at a lower yield than that received on the original bond. During periods of declining interest rates, bond payments may be invested at lower rates; during periods of rising rates, bond payments may be invested at higher rates.
- **Call Risk**: The risk that a bond will be called by its issuer. A callable bond has a provision which allows the issuer to purchase the bond back from the bondholders at a predetermined price. Generally, issuers call bonds when prevailing rates are lower than the cost of the outstanding bond. Call provisions allow an issuer to retire high-rate bonds on a predefined call schedule.
- **Prepayment Risk**: Some types of bonds are subject to prepayment risk. Similar to call risk, prepayment risk is the risk that the issuer of a security will repay principal prior to the bond's maturity date, thereby changing the expected payment schedule of the bonds. Prepayment risk is particularly prevalent in the mortgage-backed bond market, where a drop with interest rates can trigger a refinancing wave. When investors in a bond comprised of the underlying pool of mortgages receives his or her principal back sooner than expected, they may be forced to reinvest at prevailing, lower rates.
- **Liquidity Risk**: The risk stemming from the lack of marketability of an investment that cannot be bought or sold quickly enough to prevent or minimize a loss. Liquidity risk is typically reflected in a wide bid-ask spread or large price movements. It also is a risk associated with an investment in Private Funds.
- **Inflation Risk:** When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- **Opportunity Cost Risk:** The risk that an investor can forego profits or returns from other investments.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.
- **Derivative Risk:** Derivatives can be riskier than other types of investments because they may be more sensitive to changes in economic or market conditions than other types of investments and could result in losses that significantly exceed the original investment. The use of derivatives may not be successful, resulting in investment losses, and the cost of such strategies may reduce investment returns.

- **Options Risk**: An option is a contract to buy or sell a specific financial product officially known as the option's underlying instrument or underlying interest. For equity options, the underlying instrument is a stock, ETF, or similar product. The contract itself is very precise. It establishes a specific price, called the strike price, at which the contract may be exercised, or acted on. It also has an expiration date. When an option expires, it no longer has value and no longer exists. Options come in two varieties, calls and puts, and you can buy or sell either type. Call contracts will expire worthless if the underlying security closes below the strike price on expiration. Put contracts will expire worthless if the underlying security closes above the strike price on expiration. Selling a covered call may limit the upside if the underlying security closes above the strike price on expiration. Special tax rules may apply, depending on the outcome. In order to trade options in accounts, a client must utilize margin in their account. Please note that using margin is not suitable for all investors; the use of margin increases leverage in a client's account and therefore increases overall risk. Therefore, a client should read the options disclosure document, "Characteristics and Risks of Standardized Options," which can be obtained from any exchange on which options are traded, on the internet at www.optionsclearing.com or by contacting The Options Clearing Corporation at 1-888-OPTIONS.
- **Credit Default Swaps**: Credit default swaps ("CDS") can be used to hedge a portion of the default risk on a single corporate bond or a portfolio of bonds. Credit default swaps involve risks because they are difficult to value, are highly susceptible to liquidity and credit risk, and generally pay a return to the party that has paid the premium only in the event of an actual default by the issuer of the underlying obligation (as opposed to a credit downgrade or other indication of financial difficulty). The portfolio bears the loss of the amount expected to be received under a swap agreement in the event of the default or bankruptcy of a swap counterparty. The maximum risk of loss for sell protection on a credit default swap is the notional value of the total underlying amount of the swap. The CDS market in high yield securities is comparatively new and rapidly evolving compared to the CDS market for more seasoned and liquid investment grade securities. Swap transactions dependent upon credit events are priced incorporating many variables including the pricing and volatility of the common stock, potential loss upon default and the shape of the U.S. Treasury Yield curve, among other factors. As such, there are many factors upon which market participants may have divergent views. Redwood may also enter into CDS transactions, even if the credit outlook is positive, if it believes that participants in the marketplace have incorrectly valued the components which determine the value of a swap. Investments in CDS involve a high degree of risk.
- **Credit Default Swap Index ("CDX")**: CDX is a benchmark financial instrument made up of credit default swaps (CDS) that have been issued by North American or emerging market companies. Credit default swaps involve risks because they are difficult to value, are highly susceptible to liquidity and credit risk, and generally pay a return to the party that has paid the premium only in the event of an actual default by the issuer of the underlying obligation (as opposed to a credit downgrade or other indication of financial difficulty). The portfolio bears the loss of the amount expected to be received under a swap agreement in the event of the default or bankruptcy of a swap counterparty. The maximum risk of loss for sell protection on a credit default swap is the notional value of the total underlying amount of the swap.
- **Counterparty Risk:** The stability and liquidity of many derivative transactions depends in large part on the creditworthiness of the parties to the transactions. If a counterparty to such a transaction defaults, exercising contractual rights may involve delays or costs for a fund. Furthermore, there is a risk that a counterparty could become the subject of insolvency proceedings, and that the recovery of securities and other assets from such counterparty will be delayed or be of a value less than the value of the securities or assets originally entrusted to such counterparty.

Risks for Investing in Private Funds

Redwood from time to time will recommend to certain qualifying clients, that a portion of such client's assets be invested in private funds ("Private Funds"). Private Funds present special risks for investors, including without limitation, limited liquidity, higher fees, volatile performance, heightened risk of loss, limited transparency, special tax considerations, subjective valuations and limited regulatory oversight. Therefore, Private Funds are not be suitable for all Redwood clients and are offered only to those qualifying clients for whom Redwood believes such an investment is suitable and in line with the client's overall investment strategy. Private Funds typically are available to only a limited number of sophisticated investors who meet the definition of "accredited investor" under Regulation D of the Securities Act and "qualified client" under the Advisers Act. It is important that each potential qualified investor carefully read each offering or private placement memorandum prior to investing.

Private Funds often impose performance-based fees or incentive allocations payable to the fund manager or general partner. Such performance-based fee/incentive allocation structures create an incentive for the managers of these investments to make investment choices that are riskier or more speculative than would be the case in the absence of a performance-based fee/incentive allocation structure. When applicable, the performance-based fee structure could also cause those managers responsible for Private Funds to devote a disproportionate amount of time to the management of these investments, and compensation may be larger than it otherwise would have been because the fee/incentive allocation will be based on account performance instead of a percentage of assets under management. Please refer to Item 6 above for additional information.

Some Private Funds employ alternative or riskier strategies, such as the use of leverage or hedging. Leverage is the use of debt to finance an activity. For example, leverage is used when one uses margin to buy a security. Hedging on the other hand occurs when an investment is made in order to reduce the risk of adverse price movements in a security. For example, hedging is used when one takes an offsetting position in a related security, such as an option or short sale. While leverage or hedging can operate to increase rates of return, it also increases the amount of risk inherent in an investment.

Investments in Private Funds that are considered "funds of funds" and the investments and strategies for some of the underlying portfolio funds include leverage, short sales, uncovered options, futures, derivative instruments, forward and swap foreign exchange contracts, non-U.S. securities, "junk" bonds, and illiquid investments. Such funds carry high costs, substantial risks, such as the risks inherent in an investment in securities, as well as specific risks associated with each particular underlying fund's investment strategy.

Additionally, Private Funds are illiquid investment options, meaning that an investor's invested funds will be "locked up" and cannot be easily sold or exchanged for a defined period of time or for the life of the Private Fund offering. The illiquidity of each security depends on various factors, including but not limited to the type and liquidity of the Private Fund's underlying holdings. It is important for investors to read all offering documents fully before investing.

ITEM 9: DISCIPLINARY INFORMATION

Registered investment advisers such as Redwood are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's or prospective client's evaluation of Redwood or the integrity of its management. Redwood does not have any such legal or disciplinary events and thus has no information to disclose with respect to this Item.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Neither Redwood, nor its representatives, are registered or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

Redwood generally recommends TD Ameritrade Institutional to clients for custody and brokerage services with regards to SMAs. There is no direct link between Redwood's participation with the custodians listed above and the investment advice it gives to its clients. Please refer to Item 12 for further information.

Redwood serves as the investment adviser to the Redwood Funds, which are affiliated open-end investment companies registered under the Investment Company Act of 1940. Whenever Redwood recommends the Redwood Funds in its SMA, TPA Model portfolios or Sub-advisory portfolios, a conflict of interest exists because Mr. Messinger and Redwood are compensated both for its role as manager to these portfolios as well as a management fee as the manager of the Redwood

Funds. Please refer to Item 5 for important information about how Redwood attempts to mitigate this conflict of interest. Moreover, similar mutual fund and ETF products could be available that charge lower overall expenses to clients.

Redwood also serves as the investment manager to the Redwood Managed Risk Plus, L.P, a private hedge fund, and is the owner and managing member to the Private Fund's general partner, Redwood Managed Risk GP, LLC ("Redwood GP"). There are potential and actual conflicts of interest due to these affiliations, including receipt of compensation. As such, whenever the private fund is recommended to a Redwood client, Mr. Messinger and Redwood may receive an economic benefit. Please refer to Item 5 and to Mr. Messinger's ADV Part 2B Supplemental Disclosure brochure for important additional information.

To address these conflicts of interest noted above, Redwood has adopted certain procedures designed to mitigate the effects of these conflicts. First, as part of Redwood's fiduciary duty to clients, Redwood and its representatives will endeavor at all times to put the interests of the clients first, and recommendations will only be made to the extent that they are reasonably believed to be in the best interests of the client. Additionally, the conflicts presented by these practices are disclosed to clients at the time of entering into an advisory agreement, mainly through the delivery of this disclosure Brochure (Form ADV Part 2A) and Supplemental Brochures (Form ADV Part 2B) and also, Form ADV Part 3 known as the Customer Relationship Summary (CRS). Please refer to Items 5, 6, 8, 12, & 15 for detailed information regarding these conflicts and how they are addressed.

As described above, Redwood is affiliated with Mulholland Wealth Advisors, LLC, an SEC registered investment adviser. Mulholland provides investment advice to individuals, high net worth individuals, pension and profit-sharing plans, trusts, estates, and corporations. Redwood has also entered into a Sub-Advisory Agreement with Mulholland, whereby Redwood provides sub-advisory investment advice and administrative services to Mulholland. Redwood and Mulholland are under common control with similar ownership. Michael Messinger is the Principal/Portfolio Manager of Redwood and Managing Member of Mulholland. Mr. Messinger has an indirect ownership of greater than 25% in both Redwood and Mulholland through various trusts he controls. Therefore, it is important for clients to understand that whenever Redwood is serving as sub-adviser to Mulholland and Mulholland collects an investment advisory fee, Mr. Messinger receives remuneration from both Redwood as well as Mulholland. Finally, Mr. Messinger is also an investment advisory representative of Mulholland. Consequently, if the interest of the adviser does not align, there will be a conflict. Again, this is mitigated through the development of policies and procedures, including reviews on internal controls and conflict mitigation. Finally, Redwood has the ability to be reimbursed from Mulholland for certain administrative costs and business expenses.

ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

A. Code of Ethics Summary

The Investment Advisers Act of 1940 imposes a fiduciary duty on all investment advisers to act in the best interest of its clients. Redwood's clients therefore entrust the Firm to use the highest standards of integrity when dealing with their assets and making investments that impact their financial future. Redwood's fiduciary duty compels all Redwood associated persons (defined as owners, managers, officers, independent contractors, and associated persons) to act with integrity in all Redwood dealings. Because Redwood's investment professionals often transact in the same securities for their personal accounts as they buy or sell for client accounts, it is important to mitigate potential conflicts of interest. To that end, Redwood has adopted personal securities transaction policies as part of the Code of Ethics ("Code"), which all Redwood associated persons must follow. Redwood's Code generally sets the standard of business that Redwood requires of its associated persons, requires associated persons to comply with applicable federal securities laws, and sets forth provisions regarding personal securities transactions by associated persons. Additionally, the Code sets forth Redwood's policies and procedures with respect to material, non-public information and other confidential information, and the fiduciary duties that Redwood and each of its associated persons has to each client. Redwood obtains information from a wide variety of publicly available resources. As a result, Redwood and its personnel do not have, nor claim to have, insider or private knowledge. The Code is circulated at least annually to all associated persons, and each associated person, at least annually must certify in writing that he or she has received and followed the Code and any amendments thereto. Redwood will provide a copy of the Code to any client or prospective client upon written request.

B. **Participation or Interest in Client Transactions**

Redwood recognizes that the personal securities transactions of its members and associated persons demand the application of a high code of ethics, and Redwood requires that all such transactions be carried out in a way that does not endanger the interest of the client. At the same time, Redwood believes that if investment goals are similar for clients and for associated persons of Redwood, it is logical and even desirable that there be common ownership of some securities. Therefore, in order to address conflicts of interest, Redwood has adopted a set of procedures, including its Code, with respect to transactions effected by its associated persons for their personal accounts. If the possibility of a conflict of interest occurs, the client's interest prevails. If a Redwood managed associated persons or proprietary account executes at a common custodian a trade on the same day and in the same security but at a different price, then it is Redwood's policy that priority will always be given to the client's order over the order of Redwood associated persons managed account.

Also, in order to monitor compliance with its personal trading policy, Redwood has adopted a quarterly securities transaction reporting system for all associated persons. Because the Code would permit associated persons of Redwood to invest in the same securities as clients, there is a possibility that a Redwood associated person could benefit from market activity by a client in a security held by that person. Employee trading is continually monitored under the Code, with an eye to reasonably prevent conflicts of interest between Redwood and its clients.

Redwood does not affect any principal or agency cross securities transactions for client accounts, nor does it affect cross-trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Should Redwood ever decide to affect principal trades or cross-trades in client accounts, it will comply with the provisions of Rule 206(3) of the Advisers Act and update this ADV Part 2A accordingly.

As described above, Redwood has financial interests in the Redwood Funds. Redwood will recommend, when it believes it to be in the client's best interest, that its clients purchase or sell shares of the Redwood Funds. This creates a conflict of interest as Redwood is incentivized to recommend the Redwood Funds. Redwood takes steps to mitigate this conflict as described in Item 5.D above.

C. Similar Securities

Redwood may, from time to time, purchase the same or similar securities for the Redwood Funds and/or Private Fund at the same time as it affects transactions for other Redwood clients. Additionally, officers, directors, employees, and associated persons, of Redwood may invest in the Private Fund, and/or the Redwood Funds. This could deem associated persons to be indirectly trading before other Redwood clients during times when the Firm aggregates trades for clients, including the Redwood Funds, and the Redwood Private Fund. This creates a potential conflict of interest. To address this conflict of interest, Redwood has written policies and procedures regarding aggregation and allocation of trades. Please refer to Item 12 for further information.

ITEM 12: BROKERAGE PRACTICES

A. Selection Criteria

In selecting a broker or dealer to execute each particular transaction, the Firm will take the following into consideration:

- The best net price available;
- The reliability, integrity and financial condition of the broker or dealer;
- The size of and difficulty in executing the order;

- The value of the expected contribution of the broker or dealer to the investment performance of client accounts on a continuing basis; and
- The value of the research, and other services provided.

Redwood clients may pay higher commissions or transaction fees to brokers or dealers executing portfolio transactions on behalf of Redwood clients if Redwood determines in good faith that such commissions/transaction fees are reasonable in relation to the value of brokerage, research and other services provided.

Section 28(e) of the Securities Exchange Act of 1934 ("Section 28(e)" or ("28(e)") provides a safe harbor to investment advisors who use the commission dollars of their advised accounts to obtain investment research and brokerage services, provided that all of the conditions in Section 28(e) are met. The primary condition is that the investment advisor determines in good faith that the amount of the commission is reasonable in relation to the value of the brokerage and research services provided. In addition, 28(e) permits advisers to use the research and brokerage services provided by brokers to service any or all of the adviser's clients, and the services may be used in connection with clients other than those making the payment of commissions. From time to time, some of the services received as the result of transactions on behalf of certain Redwood clients may benefit accounts other than those participating in such transactions.

Importantly, clients should understand that the use of soft dollars by Redwood may be deemed to be an indirect economic benefit to Redwood, which would create a conflict of interest between Redwood and its clients. To address this potential conflict, Redwood has adopted certain procedures designed to mitigate the effects of these conflicts. For example, as part of Redwood's fiduciary duty to clients, Redwood and its associated persons will endeavor at all times to put the interests of Redwood's clients first. Additionally, Redwood has adopted various trading and best execution review procedures to determine in good faith that the amount of commissions is reasonable in relation to the value of the brokerage and research services provided.

<u>Redwood Registered Funds</u>
Redwood is authorized by the Trustees for the Redwood Funds to allocate the orders placed by the Firm on behalf of the Funds to brokers or dealers who may, but need not, provide research or other services to the Redwood Funds or to Redwood for the Redwood Funds' use. Such allocation is to be in such amounts and proportions as Redwood may determine. In selecting a broker or dealer to execute each particular transaction for the Redwood Funds, the Firm will take the following into consideration:

- The best net price available;
- The reliability, integrity and financial condition of the broker or dealer;
- The size of and difficulty in executing the order;
- The value of the expected contribution of the broker or dealer to the investment performance of the Funds on a continuing basis; and
- The value of the research, and other services provided.

Brokers or dealers executing portfolio transactions on behalf of the Redwood Funds may receive commissions or transaction fees in excess of the amount of commissions/transaction fees another broker or dealer would have charged for executing the transactions if Redwood determines in good faith that such commissions/transaction fee are reasonable in relation to the value of brokerage, research and other services provided to the Funds. In allocating portfolio brokerage, Redwood may select brokers or dealers who also provide brokerage, research and other services to other accounts over which Redwood exercises investment discretion. Some of the services received as the result of Redwood Funds' transactions may primarily benefit accounts other than those of the Redwood Funds, while services received as the result of portfolio transactions effected on behalf of those other accounts may primarily benefit the Redwood Funds.

Additional information regarding brokerage selection is outlined in the Funds' prospectus and statement of additional information and should be read carefully prior to investing.

<u>Sub-Advisory Arrangements</u>

Under these arrangements, the TPA assigns discretionary trading authority to Redwood on behalf of a particular portion of the TPA clients' assets. Redwood typically does not have the ability to choose and determine: (1) the custodian or broker-dealer for the Advisory Client's account; or (2) program and transaction cost pricing. Therefore, Redwood is unable to control or confirm best execution for account transactions. Details regarding the TPA's brokerage selection criteria are outlined in each TPA's Form ADV Part 2A.

Separately Managed Accounts

Redwood executes all transactions for client accounts through third-party independent broker-dealers. Redwood periodically evaluates the commissions and fees charged and the services provided by these broker-dealers and compares those with other third-party independent broker-dealers to evaluate whether overall best qualitative execution could be achieved by using alternative broker-dealers as described in the paragraphs below.

Redwood clients utilize various institutional custodians, such as TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade, Inc. ("TD Ameritrade"), member FINRA/SIPC/NFA, an independent and unaffiliated SEC-registered broker-dealer. Certain institutional custodians, such as TD Ameritrade, offer to independent investment advisers certain services which include custody of securities, trade execution, clearance and settlement of transactions. As further described below under the heading, "Research and Other Soft Dollar Benefits," Redwood receives some of these benefits from TD Ameritrade. Prior to engaging Redwood to provide investment management services, the client will be required to enter in an investment advisory agreement with Redwood as well as a separate custodial/clearing agreement with the designated custodian/broker-dealer.

In addition, Redwood has entered into various brokerage and soft dollar arrangements with independent and unaffiliated FINRA registered broker-dealers. Through these arrangements, Redwood receives eligible research as defined and provided for in Section 28(e). For further information regarding the services and benefits received by Redwood under these brokerage and custodian arrangements, please refer to Item 14 below.

Although the fees and commissions paid by Redwood's clients shall comply with the Firm's duty to obtain best execution, a client may pay a fee that is higher than another qualified broker-dealer might charge to effect the same transaction, where Redwood determines, in good faith, that the fee is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker dealer services, including the value of research provided, execution capability, and responsiveness. Accordingly, although Redwood will seek competitive rates, it may not necessarily obtain the lowest possible fees or commissions for client account transactions. The fees and commissions charged by the designated custodian/broker-dealer are exclusive of, and in addition to, Redwood's investment management fee.

All custodial fees and charges are fully disclosed on the account statements sent by the custodian. Please refer to Item 12B and Item 14B for more information.

It is important for clients to consider and compare the significant differences between having assets at a broker/dealer, bank, or other custodian prior to opening an account with Redwood. Some of these differences include but are not limited to the following: total account costs, trading freedom, transaction fees, and security and technology services.

In addition, specific mutual fund and ETF holdings may differ dependent on the custodian platform. Depending on the mutual funds, ETF, or variable annuity sub-accounts used, performance results will vary.

TPA Model Portfolios

Redwood does not trade individual accounts assigned to Redwood's model by each TPA; Redwood only sends information and changes on the investments in each model portfolio to a TPA platform provider for investment by the TPA Model Portfolio accounts.

Affiliated Private Fund

The Redwood GP has complete discretion in deciding which, if any, brokers and dealers the Private Fund will use, and in negotiating rates of brokerage compensation. The Firm may cause the Private Fund to buy and sell interests directly from the mutual funds or ETFs to which it intends to allocate its capital or from the financial intermediaries of those mutual funds or ETFs. With respect to any other securities held directly by the Private fund, in addition to using brokers as "agents" and paying commissions, the Private Fund may buy or sell securities directly from or to dealers acting as principals at prices that include markups or markdowns.

In choosing brokers and dealers, Redwood will not be required to consider any particular criteria. For the most part, the Firm will seek to obtain the best combination of brokerage expenses and execution quality of Private Fund transactions, but Redwood is not required to select the broker or dealer that charges the lowest transaction cost, even if that broker provides execution quality comparable to other brokers or dealers.

Additional information regarding brokerage selection is outlined in the Private Fund's offering documents and should be read carefully prior to investing.

B. <u>Research and Other Soft Dollar Benefits</u>

Section 28(e) permits advisers to use the research services provided by brokers to service any or all of the adviser's clients, and the services also may be used in connection with clients other than those making the payment of commissions. Importantly, clients should understand that the use of soft dollars by Redwood may be deemed to be an indirect economic benefit to Redwood, which creates a conflict of interest between Redwood and its clients. To address these conflicts, Redwood has adopted certain procedures designed to mitigate the effects of these conflicts. For example, as part of Redwood's fiduciary duty to clients, Redwood and its associated persons will endeavor at all times to put the interests of Redwood's clients first. Additionally, Redwood has adopted various trading and best execution review procedures to help ensure clients are receiving the best overall deal at the time of the transaction.

Redwood may select a broker-dealer in recognition of the value of various services or products, beyond transaction execution, that such broker-dealer provides where, considering all relevant factors, it believes the broker-dealer can provide best execution. Selecting a broker-dealer in recognition of the provision of services or products other than transaction execution is known as paying for those services or products with "soft dollars." The amount of compensation paid to such broker-dealer generally is higher than what another, equally capable broker-dealer might charge. The following discussion is intended to provide clients with certain important information regarding such practices, including the conflicts of interest that arise under soft dollar arrangements.

The receipt of such research and other services benefit Redwood, because Redwood does not have to produce or pay for the research or other products or services when it obtains such products and services by using client commissions. Although customary, these arrangements present potential conflicts of interest in allocating securities transactional business to broker-dealers in exchange for soft dollar benefits, including an incentive to select or recommend a broker-dealer based on Redwood's interest in receiving the research or other products or services, rather than on clients' interest in receiving most favorable execution. Additionally, Redwood may have an incentive to effect more transactions than might otherwise be the case in order to obtain those benefits. The agreements between Redwood and its clients generally authorize Redwood to use client soft dollars for a wide range of purposes. The extent of any such conflict depends in large part on the nature and uses of the services and products acquired with soft dollars.

Section 28(e) recognizes the potential and actual conflict of interest involved in this activity, but allows investment advisers to use client commissions to pay for certain research and brokerage products and services under certain circumstances without breaching their fiduciary duties to clients. For these purposes, "research" means services or products used to provide lawful and appropriate assistance to Redwood in making investment decisions for its clients. "Brokerage" services and products are those used to effect securities transactions for Redwood's clients or to assist in effecting those transactions.

Consistent with obtaining best execution, brokerage transactions may be directed to a broker-dealer in return for investment research and brokerage products and services which assist Redwood in its investment decision-making process. Redwood may cause clients to pay commissions that are higher than those that another qualified broker-dealer might charge to effect the same transaction where Redwood determines, in good faith, that the commission is reasonable in relation to the value of the brokerage and research services received.

Research and other products and services purchased with soft dollars will generally be used to service all of Redwood's clients, but brokerage commissions paid by one client may be used to pay for research that is not used in managing that client's portfolio, as permitted by Section 28(e). In other words, there may be certain client accounts that benefit from the research services, which did not make the payment of commissions to the broker-dealer providing the services.

Brokerage services obtained with soft dollars may include, for example, quotation and communication equipment and services, other order management systems that provide trading software or provide connectivity to such software, trade analysis software, on-line pricing services, communication services relating to execution, clearing and settlement and message services used to transmit orders.

Research and related services furnished by brokers may include, but are not limited to, written information and analyses concerning specific securities, companies or sectors; market, financial and economic studies and forecasts; financial publications; recommendations as to specific securities; portfolio evaluation services; financial database software and services; computerized news, pricing and statistical services; and discussions with research personnel, along with software, data bases and other technical services utilized in the investment management process. Research received by Redwood under such soft dollar arrangements may include both proprietary research (created or developed by the broker-dealer) and research created or developed by a third party.

As stated above, Redwood may recommend that clients establish brokerage accounts to maintain custody of clients' assets and/or to effect trades for their accounts. There is no direct link between the investment advice given to clients and Redwood's recommendation to use the custodial or brokerage services of these custodians, certain benefits are received by Redwood due to this arrangement, as outlined above and in Item 14 below.

Additionally, such custodians provide Redwood with access to their institutional trading and custody services, which are typically not available to retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a minimum dollar amount of the advisor's clients' assets are maintained in accounts at the custodian. The services provided to clients under these custodian arrangements include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment. For Redwood client accounts maintained with recommended custodians under these arrangements, the clients are usually not charged separately for custody services since the transactions are generally placed with the brokerage division of each custodian. Since the benefits received by both the client and Redwood are paid for with client's commissions/transactions fees, they are deemed to be soft dollar benefits.

C. Brokerage for Client Referrals

Redwood does direct trade activity to brokers in exchange for client referrals. See Item 14(B), regarding Redwood generally recommending that clients use TD Ameritrade, as their custodian and broker of record.

D. Directed Brokerage

Redwood does not generally accept directed brokerage arrangements (when a client requires that account transactions be executed through a specific broker-dealer). In such client directed arrangements, the client will negotiate terms and arrangements for their account with that broker-dealer, and Redwood will not seek better execution services or prices from other broker-dealers or be able to "batch" the client's transactions for execution through other broker-dealers with orders for other accounts managed by Redwood. As a result, the client may pay higher transaction costs on transactions for the account than would otherwise be the case through alternative arrangements that may be available through Redwood.

With regard to no-load variable annuity products, Redwood does not offer or sell such products. Redwood manages individual investment sub-accounts contained within a variable annuity/life product owned by individual clients. Redwood is not compensated directly or indirectly by any insurance company. When a client purchases a no-load variable annuity, the assets are held with the insurance company or the insurance company's custodian.

E. Order Aggregation

Redwood may determine that the purchase or sale of a particular security is appropriate for multiple advisory client accounts, based on a variety of reasons. When this happens, Redwood may determine that it is in these clients' best interest to attempt to execute the trade orders as one or more block trades (*i.e.,* aggregate the individual trade for each account into one or more trade orders). These circumstances may, in turn, give rise to actual or potential conflicts of interest among the accounts for whom the security purchase or sale is appropriate, and among the subset of those accounts actually participating in a block trade, especially if the block trade order results in a partial fill. In order to address these conflicts, Redwood has adopted certain policies and procedures that it follows when aggregating trades in an effort to provide an objective and equitable method of trade allocation so that all clients are treated fairly.

F. Trade Errors

Trade errors detected in a managed account must be corrected so as not to harm any client. The goal of error correction is to make the client "whole." The Firm cannot correct a trade error made in a client's account by using soft dollar credits.

ITEM 13: REVIEW OF ACCOUNTS

Accounts are reviewed quarterly by Redwood's Chief Compliance Officer ("CCO") or a Redwood employee delegated by the CCO and upon request of the client. Additionally, the custodian will provide a written confirmation to each SMA client for each transaction, typically within five (5) business days. Each client can opt to receive trade confirmations and/or monthly statements electronically instead of U.S. mail. The custodian also provides a monthly/quarterly statement to each client, showing all current holdings and recent transactions. Additionally, SMA clients can view their account via the Internet through online access. Variable annuity and mutual fund families provide similar monthly/quarterly statements showing activity in the account. Clients should review the fees charged to their account(s) to fully understand the total amount of all fees charged. Clients are encouraged to review their account statements for accuracy and compare to any reports received from Redwood.

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

A. Compensation for Client Referrals (Solicitors)

Redwood enters into agreements with individuals and organizations that refer clients to Redwood ("solicitors"). All such agreements will be in writing and comply with the requirements of Rule 206(4)-3 of the Advisers Act. If a client is introduced to Redwood by a solicitor, clients should be aware of the following:

- Solicitor is responsible for providing and sharing with you information about Redwood and its products and service offerings;[4]
- Solicitor is responsible for interfacing directly with the Client to respond to questions related to Client's account and to provide ongoing client servicing for the account(s), including liaising with Redwood (who is responsible for providing investment management services for the account(s));
- Solicitor is responsible for monitoring the Client's investment objectives for alignment with the portfolios invested;
- Solicitor is responsible for coordinating any Client request to meet with Redwood to discuss Client's portfolio; and

[4] Such information generally includes delivery of the Form ADV, marketing collateral about the adviser and its products and investment management services, the solicitor disclosure statement and other materials and information requested from the client and approved by Redwood.

- Redwood is responsible for investment management of Client's account and will periodically review the Solicitor's activities to oversee the services being provided to Client.

For each solicitor's services, Redwood pays that solicitor a significant portion (65% or more) of the advisory fee collected by Redwood and as further disclosed in the solicitor's disclosure statement, in accordance with the requirements of Rule 206(4)-3 of the Advisers Act. Prior to engaging any solicitor, Redwood has taken steps to mitigate certain fiduciary and client servicing risks by adopting certain policies and procedures which are acknowledged by the solicitors no less than annually, which are designed to prevent violations of federal securities law and state securities law requirements. These policies and procedures include, but are not limited to: the solicitor is to be a registered investment adviser, investment adviser representative or as applicable, registered with the appropriate states to conduct solicitor activities; the solicitor must disclose any changes to his or her disciplinary reporting pages whenever a change occurs and acknowledge this annually; the solicitor must distribute a copy of the solicitor disclosure statement, which contains material information related to the solicitor's role with Redwood, at the time of solicitation and/or concurrently with the delivery of Redwood's Form ADV Part 2A and Investment Management Agreement; the solicitor must receive written acknowledgment from the client that they have received the solicitor's disclosure statement and Form ADV Part 2A; the solicitor is to use Redwood approved marketing materials only; and the solicitor must provide to Redwood client's executed Redwood's Investment Management Agreement and completed Client Investment Objective form.

The specific terms of each solicitor arrangement differ. The solicitor's remuneration is based upon the solicitor's referral and Redwood's engagement of new clients and the retention of those clients, and is calculated based on a percentage of RAUM paid by the client to Redwood. Any such fee shall be paid solely from Redwood's management fees, and shall not result in any additional charge to the client.

Each prospective client who is referred to Redwood under such an arrangement will receive a copy of Redwood's Form ADV Part 2 and a separate written solicitor's disclosure statement that discloses the nature of the relationship between the solicitor, Redwood and client. It also includes the amount of compensation that will be paid by Redwood to the solicitor. The solicitor is required to obtain the client's signature acknowledging receipt of Redwood's Form ADV Part 2 and the solicitor's written disclosure statement. The client relationship is continuous with the solicitor, with the solicitor participating in the client servicing of the solicited client's account.

B. Other Compensation

As discussed more fully under Item 12, Redwood may enter into "soft dollar" arrangements whereby brokerage transactions are directed to certain broker-dealers in return for investment research products and/or services which assist Redwood in its investment decision-making process. The receipt of such services may be deemed to be the receipt of an economic benefit by Redwood, and although customary, these arrangements give rise to potential conflicts of interest, including the incentive to allocate securities transactional business to broker-dealers based on the receipt of such benefits rather than on a client's interest in receiving most favorable execution.

Additionally, Redwood generally recommends that clients use TD Ameritrade, as their custodian and broker of record. While there is no direct link between the investment advice given to clients and Redwood's recommendation to use TD Ameritrade as their custodian, certain benefits are received by Redwood due to these arrangements. TD Ameritrade makes available to Redwood research and other products and services that benefit Redwood but may not benefit its clients' accounts. Some of these other products and services assist Redwood in managing and administering clients' accounts.

Redwood or its affiliate may in the future receive client referrals from brokerages. These circumstances may, in turn, give rise to actual or potential conflicts of interest whereby a firm would then have a preference to place client at brokerage firm providing referrals over another broker. To monitor this conflict, Redwood's best execution review process will take into consideration the referral benefits in evaluating overall execution service. Please also see Item 14(B) regarding Redwood generally recommending that clients use TD Ameritrade, as their custodian and broker of record.

While as a fiduciary, Redwood endeavors to act in its clients' best interests, Redwood's recommendation that clients maintain their assets in accounts at TD Ameritrade may be based in part on the benefit to Redwood of the availability of some of the products and services provided and not solely on the nature, cost or quality of custody and brokerage services provided by TD Ameritrade, which may create a potential conflict of interest. Please refer to Item 12 above for further details.

ITEM 15: CUSTODY

Pursuant to Rule 206(4)-2 of the Advisers Act, Redwood is deemed to have custody of client funds for two reasons.

The first is because the Firm has the authority and ability to debit its fees directly from clients' separately managed accounts. To mitigate any potential conflicts of interests, all Redwood client account assets will be maintained with an independent qualified custodian. Notably, in most cases a client's broker-dealer may also act as the custodian of the client's assets for little or no extra cost. Clients should be aware, however, of the differences between having their assets at a broker-dealer versus at a bank or trust company. Some of these differences include, but are not limited to, custodian costs, trading issues, security of assets, client reporting and technology. Redwood will only implement its investment management recommendations after the client has arranged for and furnished Redwood with all information and authorization regarding its accounts held at the designated qualified custodian. Clients will receive statements on at least a quarterly basis directly from the qualified custodian that holds and maintains their assets. Clients are urged to carefully review all custodial statements and compare the statements to any reports received by Redwood. Should there be a conflict between custodial statements and reports by Redwood, the custodial statement is the official statement. Redwood shall never serve as a qualified custodian of any client funds or securities, as that service will be provided by an independent third-party custodian.

The second reason that Redwood is deemed to have custody pertains strictly to Redwood's Private Fund and is due to the fact that Redwood's Private Fund is an affiliate of Redwood Investment Management and Redwood Investment Management serves as the Managing Member to the Private Fund's General Partner, in addition to being the investment manager of the Private Fund. As outlined in Rule 206(4)-2 of the Investment Advisers Act of 1940, investment advisers that are deemed to have custody of client assets (other than through the ability to debit fees) are generally required to have an annual independent verification of those assets. The verification must be in the form of a surprise examination performed by an independent non-affiliated certified public accountant. However, an exception applies in the case of private investment funds, so long as the private fund is receiving annual audits of their financial statements performed by an independent public accountant, which is registered with and subject to regular inspection by the Public Company Accounting Oversight Board (PCAOB). In addition, the audited financial statements must be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and distributed to all investors within 120 days of the end of the private fund's fiscal year. The Private Fund also must receive an audit upon full liquidation and the audited financial statements must be distributed to all of a fund's investors promptly after the completion of such audit.

Currently, Redwood does not have annual surprise audits performed since the Private Fund will receive annual audits of its financial statements by a public accounting firm that is registered with and subject to regular inspection by PCAOB. Redwood will assist the Private Fund with the distribution of the audited financial statements to all its investors and ensure such distributions are made within the 120-day requirement. Should the Private Fund liquidate its pooled assets, Redwood will ensure the financial statements of the Private Fund are audited at that time and distributed to investors upon completion.

ITEM 16: INVESTMENT DISCRETION

A. <u>Discretionary Authority; Limitations</u>

With the exception of the TPA Model Portfolio arrangements and certain sub-advisory arrangements, Redwood will have discretionary authority via a written investment management agreement to make the following determinations without obtaining the consent of the client before the transactions are executed:

1. The securities that are to be bought or sold;

2. The total amount of the securities to be bought or sold; and
3. The broker-dealer/custodian to be used and transaction fees paid: Redwood has selected the custodian based on reasonable transaction costs, industry reputation, and advanced technology.

Such discretion is to be exercised in a manner consistent with Redwood's strategies. In addition, Redwood's authority to trade securities may be limited in certain circumstances by applicable legal and regulatory requirements.

B. Limited Power of Attorney

By signing Redwood's investment management agreement, clients authorize Redwood to exercise limited discretionary authority with respect to all investment transactions involving the client's account. Pursuant to such agreement, Redwood is designated as the client's attorney-in-fact with discretionary authority to only effect investment transactions in the client's account.

ITEM 17: VOTING CLIENT SECURITIES

Redwood has a general policy of voting proxies on behalf of clients for any securities held in a client's SMA including the affiliated Private Fund. Redwood implemented this new policy for separately managed accounts in Q4 2019. Previously, it was RIM's policy that separately managed account clients were responsible for voting proxies. As part of the implementation process, we sent notice and attempted to obtain to the best of our abilities a properly executed custodian authorization form switching the voting authority to RIM. As a result, there may be legacy accounts or new accounts that have not granted us the authority to vote proxies on the client's behalf.

Furthermore, with the Redwood Funds, Redwood has been delegated proxy voting responsibility by the Board of Trustees for proxies solicited on the securities held in the Funds' portfolios, which is managed by Redwood. Redwood's general policy is to vote proxies received in a manner consistent with the best interests of its clients. Redwood is required to present to the Board of Trustees, at least annually, the proxy voting policy and a record of each proxy voted by Redwood on behalf of the Redwood Funds, including a report on the resolution of all proxies identified by us as involving a conflict of interest. Information regarding how proxies are voted relating to portfolio securities of the Redwood Funds are outlined in each Fund's prospectus and statement of additional information. For a copy of Redwood's Proxy Voting Policy please call the main number on the cover page of this Disclosure Brochure.

Proxy voting for plans governed by ERISA must conform to the plan document in effect. In cases where the investment manager is listed as the fiduciary responsible for voting proxies, the responsibility will be designated to another fiduciary and reflected in the plan document.

Redwood shall not be deemed to have proxy-voting authority solely as a result of providing advice or information about a particular proxy vote to a client, but clients may contact Redwood with any questions concerning a proxy solicitation.

ITEM 18: FINANCIAL INFORMATION

Redwood does not require or solicit prepayment of more than $1,200.00 in fees per client, six months or more in advance and therefore is not required to provide, and has not provided, a balance sheet. Redwood does not have any financial commitments that impair its ability to meet contractual and fiduciary obligations to clients, and has not been the subject of a bankruptcy proceeding.

Redwood's Chief Compliance Officer, John Yung, remains available to address any questions that a client or prospective client may have regarding the above arrangement.

BROCHURE SUPPLEMENT
(Part 2B of Form ADV)

March 30, 2022

Michael T. Messinger

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This brochure supplement provides information about Michael T. Messinger that supplements Redwood Investment Management, LLC's brochure. You should have received a copy of that brochure. Please contact Redwood's Chief Compliance Officer at (310) 272-8185 if you did not receive Redwood Investment Management, LLC's brochure or if you have any questions about the contents of this supplement. Thank you.

Additional information about Michael T. Messinger is available on the SEC's website at www.adviserinfo.sec.gov.

ITEM 1 COVER PAGE

Please see previous page.

ITEM 2 EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Michael T. Messinger
Year of Birth: 1978

College/University:
University of Arizona, Tucson, AZ, 05/2000, BS in Finance

Business Background for Preceding Five Years:
Mulholland Wealth Advisors, LLC, Chief Executive Officer, 12/2015 – Present
Redwood Investment Management, LLC, Managing Partner and Portfolio Manager, 03/2010 – Present
Redwood Managed Risk GP, LLC – Managing Member, 10/15/2013 – Present

ITEM 3 DISCIPLINARY INFORMATION

Mr. Messinger, as an investment advisory representative, is required to disclose all material facts regarding any legal or disciplinary event that would be material to your evaluation of him. However, Mr. Messinger has no applicable legal or disciplinary events required to be disclosed under this Item.

ITEM 4 OTHER BUSINESS ACTIVITIES

Through his role at Redwood Investment Management, LLC (“Redwood”) Mr. Messinger provides investment advisory services to Redwood Mutual Funds, all of which are a series of Two Roads Shared Trust, a Delaware statutory trust organized on June 8, 2012, and registered as an open-end management investment company.

In addition to his activities at Redwood, Redwood is the majority owner of Redwood Managed Risk GP, LLC (“Redwood GP”), which serves as the general partner to the Redwood Managed Risk Plus, LP, an affiliated private hedge fund. Mr. Messinger is also the Chief Executive Officer and an investment advisor representative of Mulholland Wealth Advisors, LLC, an affiliated SEC registered investment adviser. Mr. Messinger spends less than 50% of his time conducting these other business activities.

ITEM 5 ADDITIONAL COMPENSATION

Mr. Messinger does not receive any outside economic benefit from someone who is not a client for providing investment management service. Mr. Messinger does participate in the net profits of both Redwood and Redwood GP since he has an indirect majority ownership in Redwood through various trusts he controls. Additionally, Mr. Messinger shares in the performance-based fees, if any, that are paid to the Redwood GP by the affiliated private hedge fund. Mr. Messinger also benefits from the net profits of Mulholland Wealth Advisors, LLC.

To the extent that Mr. Messinger recommends the purchase of the Redwood Mutual Funds and ETFs, Redwood Managed Risk Plus, LP and/or Mulholland Wealth Advisors, LLC services to Redwood clients and for which he ultimately receives an economic benefit for doing so (through his equity ownership in the entities), a conflict of interest exists because Mr. Messinger has an incentive to make recommendations based on the compensation received, rather than on a client's specific needs. Redwood has developed certain procedures designed to mitigate the effect of these conflicts. For example, Redwood will endeavor at all times to put the interests of the clients first, and recommendations will only be made to the extent that they are reasonably believed to be in the best interest of the client. Conflicts relating to these outside business activities and the related compensation received by Mr. Messinger are disclosed to clients prior to or at the time of entering into an advisory agreement primarily by providing this ADV Part 2B.

ITEM 6 SUPERVISION

Mr. Messinger is a Principal Officer and investment adviser representative of Redwood Investment Management, LLC. As such, Mr. Messinger is responsible for all advice provided to clients. Compliance oversight is performed by John Yung, Chief Compliance Officer. Mr. Messinger may be contacted at (310) 272-8185 or mmessinger@redwoodim.com. Mr. Yung may be contacted at (310) 272-8188 or jyung@redwoodim.com.