

## **Form ADV Part 2A: Firm Brochure**

**March 25, 2024**



**320 North Sangamon Street, Suite 1225,  
Chicago, Illinois, 60607**

**Phone (312) 872-7281**

**Fax (312) 872-7134**

**www.VSQM.com**

**info@vsqm.com**

This Brochure provides information about the qualifications and business practices of V-Square Quantitative Management LLC (“V-Square” or the “Adviser”). If you have any additional questions about the contents of this Brochure, please contact us at (312) 872-7281 or [info@vsqm.com](mailto:info@vsqm.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any State securities authority. V-Square is an investment adviser registered with the SEC under the Investment Advisers Act of 1940, as amended. Registration as an investment adviser does not imply any level of skill or training.

Additional information about V-Square is available on the SEC’s website at <https://adviserinfo.sec.gov/>. Also, free and simple tools are available to you to review V-Square and its financial professionals at [Investor.gov/CRS](https://investor.gov/CRS), which also provides free educational materials about broker-dealers, investment advisers, and investing.

## Item 2 – Material Changes

Since the last annual update to the Firm Brochure dated March 29, 2023, we have introduced a new offering, on a private placement basis, with an objective of tracking the investment results of a US Treasury bond index with target maturities less than three months. Further, V-Square ceased to serve as investment adviser to the V-Shares exchange traded funds (ETFs), liquidating the ETFs.

Additional information regarding these changes was added to the following sections:

- Item 4 – Advisory Business
- Item 5 – Fees and Compensation
- Item 7 – Types of Clients
- Item 10 – Other Financial Industry Activities and Affiliations
- Item 15 – Custody

This item discusses only specific material changes that are made to the Brochure since its last update. Minor updates and clarifications occur throughout this document, and we encourage you to review the full Brochure. V-Square will distribute to you a summary of any material changes to this and subsequent Brochures promptly as necessary.

A current brochure may be requested, free of charge, by contacting us at (312) 872-7281 or [info@vsqm.com](mailto:info@vsqm.com). It is also available on our website [www.vsqm.com](http://www.vsqm.com). Additional information about V-Square is available via the SEC's websites [adviserinfo.sec.gov](http://adviserinfo.sec.gov) and [Investor.gov/CRS](http://Investor.gov/CRS). The SEC's websites also provide information about individuals affiliated with V-Square who are registered as investment adviser representatives of V-Square.

### **Item 3 - Table of Contents**

<b>Item 1 - Form ADV Part 2A: Firm Brochure</b> .....	<b>i</b>
<b>Item 2 – Material Changes</b> .....	<b>ii</b>
<b>Item 3 - Table of Contents</b> .....	<b>1</b>
<b>Item 4 - Advisory Business</b> .....	<b>2</b>
<b>Item 5 - Fees and Compensation</b> .....	<b>3</b>
<b>Item 6 – Performance-Based Fees</b> .....	<b>5</b>
<b>Item 7 – Types of Clients</b> .....	<b>5</b>
<b>Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss</b> .....	<b>5</b>
<b>Item 9 – Disciplinary Information</b> .....	<b>9</b>
<b>Item 10 – Other Financial Industry Activities and Affiliations</b> .....	<b>9</b>
<b>Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading</b> .....	<b>10</b>
<b>Item 12 – Brokerage Practices</b> .....	<b>11</b>
<b>Item 13 – Review of Accounts</b> .....	<b>12</b>
<b>Item 14 – Client Referrals and Other Compensation</b> .....	<b>13</b>
<b>Item 15 – Custody</b> .....	<b>13</b>
<b>Item 16 – Investment Discretion</b> .....	<b>14</b>
<b>Item 17 – Voting Client Securities</b> .....	<b>14</b>
<b>Item 18 – Financial Information</b> .....	<b>15</b>

## Item 4 - Advisory Business

V-Square Quantitative Management LLC (“V-Square”, “Adviser”, “the Firm”, “we” or “our”), located in Chicago, Illinois, is an investment adviser founded in 2020 and registered with the SEC under the Investment Advisers Act of 1940. Mamadou-Abou Sarr and Habib Moudachirou serve as the President and Chief Investment Officer, respectively, and they are responsible for the day-to-day management of V-Square.

V-Square is a global quantitative asset manager with a focus on financial innovation and thematic portfolios. V-Square seeks to provide efficient market exposure to investors, seeking “better value for longer”. V-Square provides investment advisory services to individuals and institutional clients (each a “Client”, together “Clients”).

V-Square US Treasury Bond 0-3 Months Fund, LLC (“VUSTB” or the “Private Fund”) is a liquidity fund managed for the benefit of accredited investors. The Private Fund is exempt from registration under both the Securities Act of 1933 and the Investment Company Act of 1940 and the Firm does not expect to seek or obtain registered status for the Private Fund. V-Square Quantitative Management LLC serves as adviser and managing member to the Fund. Investment in VUSTB is limited to persons who meet the “accredited investor” qualifications, as defined under the Securities Act of 1933, as well as certain other conditions set forth in the Fund’s offering documents: private placement memorandum, operating agreement and subscription agreement.

V-Square has entered into side-letter agreements with certain founding investors whereby, in consideration for agreeing to invest certain amounts in the Private Fund or other consideration deemed material by V-Square, may be granted favorable terms not afforded to other members. Specifically, such founding investors receive a discounted fee rate. V-Square or VUSTB may enter into such agreements without the consent of, or notice to, existing investors. V-Square has no obligation to offer any special arrangement to any other investor.

Additional information regarding VUSTB and the Funds is provided under item 10, Other Financial Industry Activities and Affiliations.

This Brochure should not be considered an offering document for any fund and prospective investors should refer to a fund’s specific offering documents for a complete description of that fund, including its types of investments and strategies, risks, conflicts of interest, fees, and expenses. We tailor our investment advisory services for a fund to such fund’s overall investment program, and not to the needs of any underlying investor therein.

Advisory services provided to individuals and other institutions on a separate account basis are developed in consultation with each Client and are tailored to meet Client-specific investment objectives, risk tolerance, and other guidelines. V-Square considers a range of Client-specific factors that can impact the advisory process, including risk tolerance, investment time horizon, current and future cash needs and other relevant circumstances. Investment mandates are typically identified from a top-down assessment of a prospective client’s overall asset allocation, and portfolios are developed to target one or more investment markets, with a focus on asset class capabilities including the equity and fixed income securities of domestic and foreign companies. Clients may impose reasonable restrictions on investing in certain securities or types of securities. V-Square then implements a quantitative approach to apply relevant economic, sustainability and market variables in building a portfolio. Once the portfolio is built,

V-Square continues to monitor the Client's portfolio to confirm it remains consistent the stated objectives, with V-Square having full discretion over investment selection and trading.

Services provided to separately managed accounts may be similar to, or different from services provided to the Fund. In an effort to avoid conflicts of interest, V-Square's separately managed account Clients do not invest in the Private Funds, and investments in VUSTB are segregated from separate accounts for billing purposes. V-Square currently does not sponsor or participate in any wrap fee programs.

In addition to the separately managed accounts, V-Square may provide sub-advisory services to institutional clients where the Adviser contacts with an affiliated or unaffiliated investment adviser to provide investment management services on a discretionary or non-discretionary basis. These sub-advisory services can be provided through a variety of investment vehicles and arrangements including pooled investment vehicles, wrap fee programs, model portfolios and separately managed accounts.

As of March 22, 2024, the Firm managed approximately \$883,438,000 in regulatory assets on a discretionary basis and zero assets on a non-discretionary basis.

V-Square is primarily owned by Valor Management L.P., Mamadou-Abou Sarr, President and Habib Moudachirou, Chief Investment Officer of the Adviser. Antonio J. Gracias is the ultimate majority owner and control person of Valor Management L.P. Specifically, Valor Funds Group LLC is the general partner of Valor Management L.P., and Mr. Gracias is the managing member of Valor Funds Group LLC. In addition, through his direct holdings and as the sole shareholder of Valor Holdings Corp., Mr. Gracias owns the majority of both Valor Management L.P. and Valor Funds Group LLC.

## **Item 5 - Fees and Compensation**

V-Square is typically compensated for investment advisory services based on fees calculated as a percentage of assets under management. V-Square's fees and compensation are described fully in the separately managed account client investment management agreements and governing fund documents.

### ***Private Fund***

With respect to the Private Fund, V-Square receives from VUSTB a contractual management fee paid monthly based on a percentage of VUSTB's net assets as of the end of each month. Additionally, certain expenses will be borne by VUSTB directly or, where paid by V-Square, will be reimbursed by VUSTB to V-Square. These expenses are detailed in the offering documents but will include transaction costs (commissions, mark-ups, mark-downs, etc.); administrative expenses (legal, accounting, audit, and fund regulatory filings); entity level insurance and taxes; communications and reporting expenses; litigation, indemnification and other extraordinary expenses, where applicable; and custody expenses.

### ***Individual Accounts***

Advisory fees for separately managed accounts, as reflected in the table below, are based on the per annum of assets under management depending on the complexity and level of service provided, the number of different accounts and the total assets under management for a Client and related persons, or other circumstances V-Square deems relevant. Fees are generally deducted from Client accounts quarterly, in advance or in arrears, subject to the terms and conditions that are detailed in each Client's investment management agreement with V-Square. Alternative frequency of payments and/or methods of calculation may be available at V-Square's discretion, where appropriate and upon Client request. If the investment management agreement is executed at any time other than the first day of a fee

calculation period or terminated prior to the end of a fee calculation period, the advisory fees will apply on a pro rata basis. Any prepaid but unearned fees will be refunded by V-Square. The investment management agreements typically contain written authorization permitting the advisory fees to be paid directly from each Client's account. In such cases, V-Square will send the Client and relevant qualified custodian an invoice showing the amount of fees due along with the account value on which the fee is based and how the fee was calculated. The qualified custodian holding the Client's funds and securities will deduct the advisory fee directly from such account to pay V-Square.

<b>INVESTMENT ADVISORY SERVICES</b>	<b>MAXIMUM ADVISORY FEE</b>
Equity	1.00%
Fixed Income	0.50%
Listed Real Assets	1.00%

Each strategy may be subject to a minimum annual dollar fee based on an account size. Conversely, fees may be lower as a result of account size, investment strategy, account servicing requirements, the size or scope of the overall Client relationship with the Adviser or certain consultants, or as otherwise agreed with specific clients on a case-by-case basis.

In certain circumstances, fees may be subject to negotiation, and fees may be modified or waived for certain Clients. Certain accounts of persons affiliated with the Adviser or its affiliates may be managed without fees or at reduced fees. V-Square's investment management fees do not include other expenses incurred by Clients in connection with our investment advisory services such as brokerage, administrative and custodial costs. Additional information regarding V-Square's brokerage practices is described in Item 12.

Investment management agreements between V-Square and its clients are generally terminable at any time, subject to any required notice depending upon the specific circumstances and needs of clients. In the event of termination, advisory fees will be prorated over the period during which investment advisory services were provided.

Asset-based fees subject V-Square to a potential conflict of interest in that the more assets there are in your advisory account, the more you will pay in fees, and thus the Firm has an incentive to encourage you to increase the assets in the account. The use of different fee rates across client types (funds and separate accounts) and the flexibility to negotiate fee rates and other terms introduces an incentive to favor higher-paying accounts in the allocation of investment opportunities. V-Square has adopted policies and procedures designed to address the fair allocation of investment opportunities. Neither V-Square nor its supervised persons receive compensation, including asset-based sales charges or service fees from mutual funds, for the sale of securities or other investment products.

V-Square's advisory fees are exclusive of, and Clients will incur certain other fees and expenses, including brokerage commissions, banking fees, interest, custodial fees, transaction fees, and other investment-related costs and expenses, including research expenses (such as computer software, news and information services and licensing costs which benefit our clients). Brokerage commissions, custodial fees and other transaction expenses and fees are typically imposed by broker-dealers, custodians and other third parties. Please refer to Item 12 for a description of the factors we consider in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation.

You will pay fees and costs whether you make or lose money on your investments. Fees and costs reduce the amount of money you can make on your investments over time.

## **Item 6 – Performance-Based Fees**

V-Square does not currently charge performance-based compensation – i.e., fees based on a share of capital gains on, or capital appreciation of, Client assets.

## **Item 7 – Types of Clients**

V-Square serves as investment adviser to registered and unregistered investment companies and also offers personalized investment management to various client types, including but not limited to, individuals, family offices, charitable organizations, corporations, investment companies, and small businesses. New accounts are typically subject to a one million dollar (\$1,000,000) minimum market value at inception. The adviser, in its sole discretion, may waive or reduce this minimum based upon various criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with Clients, etc.).

As described in Item 4, V-Square provides investment advisory services to a private fund, VUSTB, which is available for investment by sophisticated, qualified investors. Generally, all investors must be “accredited investors” as defined in Regulation D of the Securities Act of 1933, as amended, and meet other eligibility criteria established by V-Square. The offering documents for VUSTB detail minimum investment amounts, although V-Square may accept lesser amounts at its sole discretion. VUSTB interests/shares have not been and will not be registered as a security under the Securities Act of 1933, as an investment company under the Investment Company Act of 1940, or under any state or other securities laws, and will be offered and sold for investment only to qualifying recipients of a private placement memorandum pursuant to the exemption from the registration requirements in Regulation D of the Securities Act, and in compliance with any applicable state or other securities laws.

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

### ***Methods of Analysis, Investment Strategies***

V-Square seeks to provide efficient market exposure for investors, integrating innovation throughout the investment process – seeking “better value for longer”. Advisory services are developed in consultation with the Client and tailored to meet client-specific investment objectives, risk tolerance, and other guidelines. For those Clients interested, V-Square’s Sustainable Investing highlights how we seek to identify data related to material factors to integrate materiality, climate change, human capital, and governance metrics into our investment decision-making process. Further information on the Sustainable Investing Statement is available on V-Square’s website, [www.vsqm.com](http://www.vsqm.com).

Through the V-Square environmental, social and governance (“ESG”) Framework, V-Square acknowledges that certain ESG factors may have both direct and indirect impacts on corporate profitability, long-term performance, and risk. V-Square may use ESG data from numerous sources, including both established ESG data providers and alternative sources derived from ‘big data’, satellite imagery and/or artificial intelligence (AI). V-Square also partners with various organizations from around the globe to help identify

the latest thinking related to sustainability, science, and quantitative models. This includes the Sustainability Accounting Standards Board Alliance, Institutional Investors Group on Climate Change, and the International Corporate Governance Network Global Stewardship Principles. In addition, V-Square has elected to conform its investment process to certain voluntary principle-based investment philosophies, for example, the UN-supported Principles for Responsible Investment (PRI). V-Square is a signatory of the United Nations-supported PRI.

V-Square applies its quantitative approach to a broad range of asset classes. Typical strategies involve domestic and international equity and fixed income securities, but V-Square can also provide portfolios incorporating real assets and private equity replication as well as multi-asset strategies. Additionally, V-Square can incorporate specialized strategies including ESG risk parity, multi-asset climate-aware, and overlay strategies.

### **Risks**

Investing in securities involves risk of loss that clients should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that a client's financial goals and objectives will be met. Each investment strategy also is subject to risks unique to itself. The risks below may apply depending on strategy type. Past performance is in no way an indication of future performance. Some of the principal risks that could adversely affect your investment are set forth below.

**Economic & Market Conditions.** Changes in economic and market conditions, including, for example, interest rates, exchange rates, inflation rates, industry conditions, competition, technological developments, political and diplomatic events and trends, tax laws and innumerable other factors, can affect portfolio investments. None of these conditions will be foreseeable or within the control of Adviser.

**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. Inflation risk reflects the risk that returns on an investment, despite having a positive absolute return, do not suffice to maintain the purchasing power of the initial investment.

**Currency Risk.** Purchasing instruments denominated in foreign currencies or engaging in currency trading has certain risks, including illiquidity, blockages by governments, political unrest, failure or inability to deliver, pressures from speculators, and other factors that can result in losses with respect to such instrument and currencies, notwithstanding any nominal returns or value. In addition, to the extent that currency risk is not hedged, changes in the values between the denominated currency of a client account and other currencies can increase or reduce the actual returns from investments denominated in other currencies. Client accounts may at times have significant currency exposure. Therefore, market movements in the underlying currencies could result in substantial losses.

**Environmental, Social and Governance Criteria.** A client's or a strategy's ESG criteria may exclude securities of certain issuers for nonfinancial reasons and therefore the client's account or strategy may forgo some market opportunities available to portfolios that do not use an ESG criteria. Stocks of companies with ESG practices may shift into and out of favor with stock market investors depending on market and economic conditions, and the client's or strategy's performance may at times be better or worse than the performance of accounts or strategies that do not use an ESG criteria.

**Equity Investments.** Stocks and other equity-related instruments may be subject to various types of risk, including market risk, liquidity risk, counterparty credit risk, legal risk and operations risk. In addition,



equity-related instruments can involve significant economic leverage and may, in some cases, involve significant risk of loss. "Equity securities" may include common stocks, preferred stocks, interests in real estate investment trusts, convertible debt obligations, convertible preferred stocks, equity interests in trusts, partnerships, joint ventures or limited liability companies and similar enterprises, warrants and stock purchase rights. Equity securities fluctuate in value, and such fluctuations can be pronounced. In general, stock values fluctuate in response to the activities of individual companies and in response to general market and economic conditions. Accordingly, the value of the stocks and other securities and instruments that a client holds may decline over short or extended periods.

**Stock Market Risk.** There is a risk that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices.

**Mid-Cap and Small-Cap Companies Risk.** Companies defined as small and mid-cap securities may involve greater risk than is normally associated with large cap companies, and as a result may be more volatile and less liquid than the securities of large-cap companies, and may have returns that vary substantially from the overall securities markets.

**Fixed Income Securities.** Fixed income securities are subject to credit risk and interest rate risk. *Credit Risk* refers to the likelihood that an issuer will default in the payment of principal and/or interest on an instrument. Financial strength and solvency of an issuer are the primary factors influencing credit risk. In addition, inadequacy of collateral or credit enhancement for a debt instrument may affect its credit risk. Credit risk may change over the life of an instrument, and debt obligations which are rated by rating agencies are often reviewed and may be subject to downgrade. *Interest rate risk* refers to risks associated with market changes in interest rates. Interest rate changes may affect the value of a debt instrument indirectly (especially in the case of fixed rate securities) and directly (especially in the case of adjustable rates). In general, rising interest rates will negatively impact the price of a fixed rate debt instrument and falling interest rates will have a positive effect on price. Adjustable-rate instruments also react to interest rate changes in a similar manner although generally to a lesser degree (depending on reset terms, among other factors). Interest rate sensitivity is generally more pronounced with lower-rated and longer-term debt and becomes less predictable in instruments with uncertain payment schedules.

**Reinvestment Risk.** Investments are subject to the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (e.g., interest rate) due to different market conditions. This primarily relates to fixed income securities.

**Concentration.** V-Square may at times concentrate its investments by investing a significant portion of its assets in the securities of a single issuer, industry, sector, country or region, although this concentration will not occur under normal market conditions. To the extent V-Square concentrates a client's investments in any of these ways, the overall adverse impact on the client of adverse developments in the business of such issuer, industry, sector, country or region could be considerably greater than if they did not concentrate their investments to such an extent.

**Non-U.S. Investments.** Investments in securities of non-U.S. issuers and the governments of non-U.S. countries involve special risks not usually associated with investing in securities of U.S. companies or the U.S. government, including political and economic considerations, such as greater risks of expropriation and nationalization, confiscatory taxation, difficulty in repatriating funds, social, political and economic instability and adverse diplomatic developments; the possibility of the imposition of withholding or other taxes on dividends, interest, capital gain or other income; the small size of the securities markets in such countries and the low volume of trading, resulting in potential lack of liquidity and in price volatility; fluctuations in the rate of exchange between currencies and costs associated with currency conversion;

and certain government policies that may restrict investment opportunities. In addition, there may be different types of, and lower quality, information available about a non-U.S. company than a U.S. company. There is also less regulation, generally, of the securities markets in many foreign countries than there is in the United States, and such markets may not provide the same protections that are available in the United States. With respect to certain countries, there may be the possibility of political, economic or social instability, the imposition of trading controls, import duties, tariffs or other protectionist measures, various laws enacted for the protection of creditors, and greater risks of nationalization or diplomatic developments that could materially adversely affect investments in those countries. In addition, certain countries may restrict or prohibit investment opportunities in issuers or industries deemed important to national interests. Such restrictions may affect the market price, liquidity and rights of securities that may be purchased by a client. Investment in non-U.S. countries may also be subject to withholding or other taxes, which may be significant and may reduce the investment returns. Non-U.S. markets may also be affected, directly or indirectly, by trade disputes or tariffs, the effect of which may be difficult to predict. All of these non-U.S. risks are typically greater in less developed or emerging market countries.

**Depository Receipt Risk.** Investing in Depository Receipts may be subject to certain risks associated with direct investments in the securities of foreign companies, such as currency, political, economic and market risks. Depository Receipts may be less liquid than the underlying shares in the primary trading market. Depository Receipts may not track the price of their underlying foreign securities on which they are based, may have limited voting rights, and may have a distribution subject to a fee charged by the depository. As a result, equity shares of the underlying issuer may trade at a discount or premium to the market price of the depository receipts.

**Quantitative Investing.** Adviser employs quantitative models in certain investment strategies. Although quantitative models are tested, no assurance can be made that such models will perform consistently in the future. Model-driven strategies employed by others have resulted in substantial losses in a short period of time.

**Natural Disasters, Epidemics, Pandemics and Terrorist Attacks.** Areas in which Adviser has an office or where it otherwise does business are susceptible to natural disasters (e.g., fire, flood, earthquake, storm and hurricane) and epidemics or other outbreaks of serious contagious diseases. The occurrence of a natural disaster or epidemic could adversely affect and severely disrupt the business operations, economies, and financial markets of many countries (even beyond the site of the natural disaster or epidemic) and could adversely affect Adviser's investment program and its ability to do business. In addition, terrorist attacks, or the fear of or the precautions taken in anticipation of such attacks, could, directly or indirectly, materially, and adversely affect certain industries in which Adviser invests or could affect the areas in which Adviser has offices or where it otherwise does business. Other acts of war (e.g., invasion, other hostilities, and insurrection, regardless of whether war is declared) could also have a material adverse impact on the financial condition of industries or countries in which Adviser invests.

**Cybersecurity Risk.** V-Square and its service providers may be prone to operational and information security risks resulting from cyber-attacks. Cyberattacks include, among other behaviors, stealing or corrupting data maintained online or digitally, denial of service attacks on websites, the unauthorized release of confidential information or various other forms of cybersecurity breaches. Cybersecurity attacks affecting V-Square and its service providers may adversely impact clients. For instance, cyber-attacks may interfere with the processing of transactions, cause the release of private information about clients, impede trading, subject clients and V-Square to regulatory fines or financial losses, and cause reputational damage. Similar types of cybersecurity risks are also present for issuers of securities in which

clients may invest, which could result in material adverse consequences for such issuers and may cause V-Square's investment in such issuers to lose value.

**Tax Implications.** Our strategies and investments may have unique and significant tax implications, including tax consequences specific to investments in non-U.S. investments. However, unless we specifically agree otherwise, and in writing, tax efficiency is not our primary consideration in the management of client assets. Regardless of client account size or any other factors, we strongly recommend that clients regularly consult with a tax professional prior to and throughout the investing of their assets.

## **Item 9 – Disciplinary Information**

V-Square has no material legal or disciplinary information to report.

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

Neither V-Square nor any of its management persons are registered, or have an application pending to register, as a broker-dealer, futures commission merchant, commodity pool operator, a commodity trading advisor, or as a registered representative or associated person of such entities.

V-Square serves as investment adviser and managing member to the V-Square US Treasury Bond 0-3 Months Fund, LLC, (VUSTB) a liquidity fund offered solely on a private placement basis.

Related persons and affiliates of V-Square historically have engaged, and expect to continue to engage in financial services, including (i) providing investment advisory services to private funds focused on investments in private companies, and (ii) making investments in or providing services with respect to real estate-related assets and ventures. The investment activities of V-Square's related persons and affiliates are separate and distinct from V-Square's advisory business. In conjunction with their investment activities, V-Square's related persons and affiliates have established a number of affiliated entities that function as investment vehicles, holding companies and general partners or managing members to such investment vehicles and holding companies. Specifically, V-Square's related adviser, Valor Management LLC (d/b/a Valor Equity Partners), is a private equity firm that is registered with the Securities and Exchange Commission as an investment adviser. With respect to Valor Equity Partner's advisory business, these affiliates are listed separately in Part 1A of Valor Equity Partner's Form ADV. V-Square maintains policies and procedures designed to manage and monitor the conflicts of interests presented to V-Square and its clients by the investment activities of V-Square's related persons and affiliates.

Certain employees of Valor Equity Partners serve on the board of managers of V-Square. Upon request, Valor Equity Partners may provide V-Square with access to certain resources and non-investment personnel of Valor Equity Partners, including members of the finance, human resources, technology, and legal team. V-Square maintains policies and procedures designed to manage and monitor the conflicts of interest presented to V-Square and its clients in connection with the resources and services received from Valor Equity Partners.

In addition to the activities discussed above, certain related persons of V-Square are involved in other outside business activities, including investment-related activities for unaffiliated institutional investors, ownership interests in unaffiliated investment advisers and serving on the boards of various institutions,

charities, public companies, private companies, investment advisers and investment funds. While related persons of V-Square may have conflicts of interest in allocating their time and activity between V-Square and other ventures with which they are associated, it is not currently anticipated that the outside investment-related business activities of such related persons will conflict with the investment activities of V-Square or its clients. V-Square maintains policies and procedures designed to manage and monitor the conflicts of interests presented to V-Square and its clients by these activities.

Identifying potential conflicts of interest is complex and fact-intensive, and it is not possible to foresee every conflict of interest that may arise. V-Square may in the future identify additional conflicts of interest that are not currently contemplated, as well as conflicts of interest that arise or increase in materiality as V-Square and its related persons and affiliates engage in additional activities or develop new business lines.

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

V-Square has adopted a Code of Ethics (the “Code”) that establishes a standard of business conduct that must be followed by executives and employees of V-Square (collectively “Supervised Persons”). The Code incorporates the following general principles, which all Supervised Persons are expected to uphold: act in the best interests of V-Square Clients; conduct personal securities transactions in a manner consistent with the Code, which seeks to address certain conflicts of interest in this regard; avoid taking any inappropriate advantage of one’s position at V-Square; and maintain confidentiality of information concerning V-Square’s investment recommendations, portfolio holdings and transactions. V-Square believes that these general principles not only help V-Square fulfill its obligations as an investment adviser, but also protect V-Square's reputation and instill in Supervised Persons V-Square's commitment to honesty, integrity, and professionalism.

The Code also provides guidelines for Supervised Persons regarding adherence to securities laws generally, and transactions in personal accounts involving public and private securities. For example, the Code requires that all Supervised Persons report all transactions in their personal accounts. In addition, the Code requires that all Supervised Persons report Code violations. V-Square’s Chief Compliance Officer is responsible for various aspects of the Code’s administration, including without limitation the monitoring and review of personal securities transactions of Supervised Persons, and is available for any questions Supervised Persons have regarding the Code. V-Square will provide a copy of the Code to any Client or prospective Client upon request by contacting us, by phone at (312) 872-7281 via email at [info@vsqm.com](mailto:info@vsqm.com).

V-Square permits its Supervised Persons to trade for their own accounts and requires pre-approval before trading in securities including participation in initial public offerings and private placements. Thus, Supervised Persons can buy or sell specific investments and securities for their own accounts based on their personal investment considerations, regardless of whether V-Square recommends the investments for Clients. Other than fulfilling its fiduciary duty to manage Client accounts in accordance with their investment mandates, V-Square has no obligation to recommend for purchase or sale by Clients any investments that V-Square, its affiliates or its Supervised Persons may purchase for themselves or for any other Client.

V-Square has designed internal compliance and operational procedures to help confirm that its investment activities are conducted in accordance with applicable laws and regulations and conflicts of interest are identified and appropriately mitigated and disclosed.

A number of the activities can present potential conflicts of interest where V-Square and its Supervised Persons may have incentives to put their interests ahead of V-Square Clients. These activities can include for example, allocating investment opportunities between Client accounts, sponsoring other investment vehicles (including those with investment objectives similar to or overlapping with those of current Clients), making investments for their own accounts, or engaging in other lines of business. V-Square believes it has adequate policies and procedures in place to monitor these conflicts of interest and confirm that V-Square and its Supervised Persons adhere to the Code and applicable securities laws.

## **Item 12 – Brokerage Practices**

For a separately managed account, the Client will select the custodian to hold its assets. If a Client does not have a relationship with a custodian, V-Square will recommend a custodian that is used by existing Clients in order to expedite the account opening process.

Pursuant to an investment management agreement between the Adviser and each Client, V-Square has full discretionary authority to manage Client assets, including the authority to make decisions with respect to which securities are bought and sold, the amount and price of those securities, the broker-dealers to be used for a particular transaction, and the amount of brokerage commissions paid.

In selecting broker-dealers to execute transactions, V-Square need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. It is not expected that V-Square will negotiate “execution only” commission rates, thus Clients may be deemed to be paying for research, brokerage or other services provided by the broker-dealer which are included in the commission rate. V-Square does, however, seek to obtain the most favorable terms reasonably available under the circumstances by taking into consideration relevant qualitative and quantitative factors, including the following: the financial stability and reputation of brokerage firms, the size and type of the transaction, the difficulty of execution, the broker-dealer’s expertise with the particular financial instrument, ability to handle a block order and the research, brokerage or other services provided by such broker-dealers.

V-Square will only execute trades with approved broker-dealers. V-Square may add and/or replace broker-dealers from time to time in its discretion without notice. V-Square periodically evaluates and changes, when necessary, its order execution practices. V-Square monitors broker-dealers to assess the quality of execution of brokerage transactions effected on behalf of Clients. In selecting broker-dealers, V-Square does not consider whether V-Square or a related person receives Client referrals from that broker-dealer or its affiliates.

**Soft Dollars.** As permitted under Section 28(e) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), an adviser may engage in the industry practice of paying higher commissions to broker-dealers who provide brokerage and research services than it does to broker-dealers who do not provide such research services, if such higher commissions are deemed reasonable in relation to the value of research services provided.

Research services are generally used in a manager’s investment decision-making process. These types of transactions are commonly referred to as “soft dollar transactions.” The use of client brokerage commissions to obtain research or other products or services acts as a benefit to the adviser because the adviser does not have to produce or pay for the research, products or services. Examples of research services that may be provided by broker-dealers can include economic, industry or company research reports or investment recommendations; subscriptions to financial publications or research data compilations; compilations of securities prices, earnings, dividends and similar data; computerized databases; quotation services; research or analytical computer software and services; and discussions with research personnel.

V-Square does not currently use soft dollars. Except where routinely provided by broker-dealers to facilitate account maintenance and trading, all research and software maintenance is paid for by V-Square and such research and software is used to service Client accounts.

**Trade Errors.** While V-Square endeavors to avoid trade errors entirely, where such errors occur V-Square seeks to ensure that any trade error is identified and corrected in an expeditious manner and that reasonable steps are taken to mitigate the consequences to each affected Client. When an error is made on behalf of a Client account, V-Square will use its best efforts to break or otherwise correct the trade. Where an error results in both gains and losses to a Client account, V-Square will net the gains and losses. Typically, a trade error that results in a net gain to a Client will remain with the Client and any trade errors that are due to a good faith mistake by the Firm or its personnel and result in a net loss to a Client will be charged to the Client. Trade errors that are due to gross negligence or willful default by the Firm or its personnel and result in a net loss to the Client will be indemnified by the Adviser.

**Brokerage for Client Referrals.** V-Square does not direct brokerage in exchange for or recognition of Client referrals.

**Directed Brokerage.** Where a Client direct brokerage to a particular broker-dealer, V-Square will not seek to negotiate commission rates for the client, as these have been pre-negotiated between the Client and the broker-dealer. As such, Clients who direct brokerage should consider that they: (i) may pay higher commissions on some transactions than may be attainable by V-Square, or may receive less favorable execution of some transactions or both; (ii) may forego any benefit on execution costs that could be obtained for Clients through negotiated volume discounts on bunched transactions; (iii) may not be able to participate in the allocation of a new issue, if the new issue shares are provided by another broker; (iv) may receive execution of a particular trade after the execution of such trade for Clients who have not directed the brokerage for their accounts; and (vii) may not experience returns equal to clients who have not directed brokerage for their accounts.

**Trade Aggregation & Allocation.** Aggregation, or blocking, of Client transactions is used, when possible, in an effort to reduce overall transaction costs and is consistent with meeting our fiduciary responsibility to maximize the value of Client portfolios. Aggregation is utilized only when V-Square reasonably believes that it is advantageous to Clients to do so. The allocation process for aggregated trades incorporates the specific guidelines and constraints of each of our Clients. The allocation process must not advantage or disadvantage any Client. The allocation decision is determined by myriad factors including, but not limited to, the position size and liquidity, rating, maturity, duration, structure, the appropriateness of a particular investment in the context of a portfolio review, and the availability of funds. Clients for whom an investment is appropriate are allocated in a pro-rata fashion within the constraint of quantities prudently deemed to support liquidity.

**Cross Trades.** To the extent permitted by applicable law and the applicable governing documents, V-Square can effect “cross transactions” between client accounts. V-Square will only recommend such transactions if it reasonably believes that such transactions are consistent with the best interests of each Client involved and at prices that V-Square believes constitutes a fair valuation.

## **Item 13 – Review of Accounts**

V-Square provides continuous portfolio management for Client accounts. V-Square conducts an in-depth review at engagement and on an annual basis thereafter for as long as a client has an account managed by the Firm. Informal update discussions may take place on a quarterly or semi-annual basis. Clients can request interim reviews at any time to discuss their investment account. Other conditions that can trigger an account review are changes in the investment landscape, significant economic events, and changes in a Client's own situation.



V-Square provides the owners of the separately managed accounts it manages with quarterly, unaudited reports containing performance, a summary of holdings, and a buy/sell report. Clients should expect statements at least quarterly from their qualified custodian that details holdings and activity in the Client's account. V-Square urges all Clients to carefully review the custodian's statements and compare the official custodial records to V-Square reporting. Adviser statements may vary from custodial statements based on various factors described below in Item 15 - Custody.

Investors in the Private Fund receive quarterly statements of changes in net asset value and performance. V-Square may also provide customized reporting upon investor request.

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

No one who is not a Client of V-Square provides any economic benefit to V-Square for providing advisory services to Clients. Or, stated another way, the only compensation V-Square receives for providing advisory services to clients are the fees paid by those advisory clients.

V-Square has engaged a third-party, Institutional Distribution Partners Pty Ltd ("IDP"), to represent us in the Australian market. IDP receive a percentage of the advisory fees for referrals along with an annual retainer and an additional bonus amount based on net capital invested with V-Square. These arrangements are consistent with SEC Rule 206(4)-1 covering payments for client solicitations and will be structured so that compensation paid to third parties is paid from V-Square's fee.

## **Item 15 – Custody**

V-Square does not provide custodial services and requires individual clients to work with a qualified custodian to hold their assets. V-Square is considered to have control of client assets to the extent that V-Square has authority granted to it by clients to directly deduct its fees from client accounts and in the instance of V-Square serving as the managing member of the Private Fund. However, qualified custodians maintain physical custody of client assets.

Individual Clients should receive account statements at least quarterly from their custodian. While V-Square reports are reconciled to confirm that all transactions are properly recorded, *V-Square urges all Clients to carefully review the custodian's statements and compare the official custodial records to V-Square reporting.* Adviser statements may vary from custodial statements based on accounting procedures, reporting dates, unsupervised (non-fee paying) assets held by the qualified custodian, or valuation methodologies of certain securities. Especially with regard to cost basis, V-Square recommends that Clients rely on the statements of their qualified custodian.

As noted above, as the managing member to the Private Fund, V-Square is deemed to have custody of Private Fund assets through its control of the assets and ability to withdraw them from custodial accounts. V-Square satisfies its regulatory obligation by ensuring that the Private Fund is subject to an audit at least annually by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, and requires that the resulting audited financial statements be distributed to all investors within 120 days of the end of its fiscal year.

If you have a question about an entry on an Adviser report, please contact V-Square at (312) 872-7281 or via email to [info@vsqm.com](mailto:info@vsqm.com).

## **Item 16 – Investment Discretion**

V-Square accepts discretionary authority to manage securities accounts on behalf of Clients subject to an executed investment management agreement. The Agreement authorizes V-Square to determine whether and in what amount securities are to be purchased for and sold from the account without prior instruction or authorization from the Client. On a case-by-case basis, Clients may negotiate certain risk and/or operating guidelines that V-Square will adhere to when exercising our discretionary authority. Such risk and/or operating guidelines are described in each Client's investment management agreement.

## **Item 17 – Voting Client Securities**

Pursuant to its investment management agreement with each client, V-Square has the authority and responsibility to exercise proxy voting authority with respect to those client accounts over which V-Square has been delegated proxy voting discretion and with the Funds it is adviser to. Although it is not expected that VUSTB will invest in equity securities, V-Square has the authority and responsibility to exercise proxy voting authority with respect to the Private Fund as well. Clients may retain proxy voting discretion for all or selected portfolio securities subject to the terms of their investment management agreement or by written request. V-Square has adopted proxy voting policies and procedures pursuant to SEC Rule 206(4)-6.

V-Square has a fiduciary responsibility to make investment decisions that are in its Clients' best interests in the context of Client investment objectives. These investment objectives may include, among other considerations, certain environmental, social and governance ("ESG") factors as determined appropriate by V-Square in targeting long-term value. As a result, the votes cast by V-Square on behalf of its Clients can incorporate more than just immediate financial or economic factors and will be guided by the core tenets of accountability, stewardship, transparency, and sustainability. We believe that by focusing on these areas of responsible governance globally, voting decisions are likely to promote long-term shareholder value creation and risk mitigation at portfolio companies. Although V-Square will generally vote against proposals that are anticipated to have a negative near-term impact on Client portfolio securities, it may vote for such a proposal if there are compelling long-term reasons to do so.

Absent special circumstances, V-Square generally will exercise its proxy voting discretion in accordance with its Proxy Voting Policy. As a result, V-Square may vote a particular proxy differently across Clients. V-Square believes that voting proxies in accordance with the following guidelines generally is in the best interests of its Clients:

- Generally, vote in favor of routine proposals where no corporate governance issues are implicated, including election of directors, selection of auditors, and increases in or reclassification of common stock.
- Generally, vote against proposals that make it more difficult to replace members of the board, including proposals to stagger the board, cause management to be overrepresented, introduce cumulative voting or unequal voting rights, and create supermajority voting.



In light of its fiduciary duty to Clients and given the complexity of the issues that may be raised with proxy votes, V-Square has retained a reputable independent proxy voting service provider (the “Proxy Service Provider”) to assist it in coordinating, administering (including the maintenance of required records), processing, and voting of client proxies. These services also include proxy voting recommendations and research. V-Square does not delegate voting authority to the Proxy Service Provider and may vote against any recommendation from the Proxy Service Provider if it determines that doing so is consistent with V-Square’s Proxy Voting Policy.

Certain directors, officers, and employees of V-Square’s related persons and affiliates, including members of V-Square’s board of managers, have served on the board of directors of public companies and are expected to do so in the future. To the extent that a Client of V-Square is invested in the securities of a company for which one of these individuals serves on the board of directors, V-Square may have a conflict of interest when voting on such company’s proxy.

The proxy voting decisions of V-Square are subject to oversight by the investment persons responsible for monitoring V-Square’s investments. In order to address conflicts of interest in the proxy voting process, V-Square requires (a) anyone involved in the decision-making process disclose to V-Square’s Chief Compliance Officer any potential conflict that he or she is aware of and any contact that he or she has had with any interested party regarding a proxy vote; and (b) Supervised Persons involved in the decision-making process or vote administration not reveal how V-Square intends to vote on a proposal in order to reduce any attempted influence from interested parties.

Clients can obtain a copy of the V-Square’s Proxy Policy on our website [www.vsqm.com](http://www.vsqm.com), by calling (312) 872-7281 or via email to [info@vsqm.com](mailto:info@vsqm.com). Clients also can obtain information from V-Square about how V-Square voted any proxies on their behalf by making a written request to the Chief Compliance Officer at the address on the cover page of this Brochure.

## **Item 18 – Financial Information**

V-Square does not have any financial impairment that would preclude the Firm from meeting its contractual commitments to clients.