



Introduction

Karner Blue Capital, LLC (“Karner Blue”, “we”, “our”, “us”), is an SEC-registered investment adviser. Brokerage and investment advisory services and fees differ, and it is important for you to understand the differences. Free and simple tools are available to retail investors to conduct research on firms and financial professionals at [Investor.gov/CRS](https://investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

What investment services and advice can you provide me?

We offer ongoing investment advisory services to you through separately managed accounts. KBC develops environmental, social and governance investment strategies based on investment themes that provide investors with the opportunity to invest in accordance with their personal values and interests. Currently, KBC offers a range of thematic strategies including a Biodiversity Impact Strategy, a Conservation Strategy, an Animal Guardianship Strategy, a Vegan Momentum Strategy and a Blue Impact Strategy. Each KBC strategy is composed of companies that utilize production methodologies and engage in business operations having significant social and environmental impacts. We monitor your account on a regular basis and communicate with you. This monitoring is part of our investment advisory services. We perform reviews of accounts no less than annually with respect to both your personal information and the investment guidelines.

We offer both discretionary and non-discretionary accounts. Discretionary accounts allow us to buy and sell investments on your behalf on an ongoing basis and without asking your permission. You will provide us discretionary authority via the investment management agreement and the contract between you and the custodian. For non-discretionary accounts, we give advice and you decide what investments to buy and sell.

The methods of analysis used to identify companies that meet the social and environmental requirements for investment include thematic analysis, sustainability analysis, controversy analysis and financial risk analysis. Karner Blue applies pre-established single-stock and sector constraints to help manage the exposure of each thematic strategy to any individual security or sector. This investment process carries with it the risk of missing out on more favorable returns that could be achieved by investing in alternate securities that do not meet the various social and environmental requirements. Our account minimum is \$1,000,000, which we can waive at our discretion, based on the needs of the client and the complexity of the situation. We also serve as an investment adviser to a mutual fund that follows the same investment process outlined in this document and our Form ADV Part 2A brochure. More information about the mutual fund can be found in the fund’s prospectus. For additional information regarding our services, including minimums, you can refer to Items 4, 7, and 8 of our Firm Brochure (Form ADV Part 2A), which is available at this link: <https://karnerbluecapital.com/wp-content/uploads/2020/05/KBC-ADV-Part-2A-Firm-Brochure-03-20-2020.pdf>

Other questions to ask us:

- *Given my financial situation, should I choose an investment advisory service? Why or why not?*
- *How will you choose investments to recommend to me?*
- *What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?*

What fees will I pay?

We generally charge an ongoing asset-based fee on a monthly basis, paid in arrears. The more assets there are in your advisory account, the more you will pay in fees. Therefore, we have an incentive to encourage you to

increase the assets in your account. In addition to our fees, you will pay other fees including, but not limited to, custodial fees, brokerage fees and commissions, mark-ups, mark-downs, dealer spreads, mutual fund fees, ETF fees, ADR custody fees (sometimes referred to as depositary services fees) and other costs associated with the purchase and sale of assets. You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. For additional information, you can refer to Item 5 of our Firm Brochure (Form ADV Part 2A), which is available at this link: <https://karnerbluecapital.com/wp-content/uploads/2020/05/KBC-ADV-Part-2A-Firm-Brochure-03-20-2020.pdf>

Other questions to ask us:

- *Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?*

What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?

When we act as your investment adviser, we must act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here is an example to help you understand what this means:

We serve as an investment adviser to a mutual fund that follows the same investment process outlined in this document and our Firm Brochure (Form ADV Part 2A). When purchasing shares of the mutual fund for you as a client, a conflict of interest exists to the extent that the total compensation to us is increased, based on the investment management fee that we receive on the mutual fund. This conflict of interest is addressed by excluding any assets invested in the mutual fund from the separately managed account fee calculations.

For additional information, you can refer to Items 5 and 11 of our Firm Brochure (Form ADV Part 2A), which is available at this link: <https://karnerbluecapital.com/wp-content/uploads/2020/05/KBC-ADV-Part-2A-Firm-Brochure-03-20-2020.pdf>

Other questions to ask us:

- *How might your conflicts of interest affect me, and how will you address them?*

How do your financial professionals make money?

Our financial professionals are generally compensated based on the revenue the firm earns on client accounts after accounting for firm expenses.

Do you or your financial professionals have legal or disciplinary history?

No. You can visit [Investor.gov/CRS](https://investor.gov/CRS) for a free and simple search tool to research us and our financial professionals.

For additional information on our investment advisory services, visit our website at <https://karnerbluecapital.com/>. You can find our relationship summary on our website or you can request a copy by calling 833.527.6372.

Other questions to ask us:

- *Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?*