



REDWOOD INVESTMENTS, LLC

## Introduction

Redwood Investments, LLC (“Redwood”, “we”, “us”, or the “firm”) is registered with the Securities and Exchange Commission as an investment adviser. This document is a summary of the types of services we provide and how you pay for these services. Brokerage and investment advisory services and fees differ, and it is important for you to understand the difference. For additional information and tools to research firms and financial professionals, please visit [Investor.gov/CRS](https://www.investor.gov/CRS). You can also find educational materials about broker-dealers, investments advisers and investing at this site.

## What investment services and advice can you provide me?

We offer investment management services to institutional investors, to retail investors through financial intermediaries, and individuals directly. Our portfolio management services are also available through various broker-dealer sponsored wrap fee programs.

As part of its advisory services relationship, Redwood professionals are available to review your investment goals and objectives. These client meeting are typically scheduled prior to the firm’s engagement and subsequently on a regular basis subsequent to the engagement (e.g. annually). Redwood provides investment services to you on a discretionary basis. This means that Redwood has the authority to determine, without obtaining client consent, the securities to be bought or sold and the amount of securities to be bought or sold in your account. In all cases, however, such discretion is exercised consistent with the stated investment objectives as part of your Investment Management Agreement with Redwood. Any stated investment objectives, guidelines, limitations or restrictions you impose on the accounts will be documented as part of the account opening process and/or indicated in our Agreement. Redwood manages U.S., International, and Global equity investment portfolios. Investment strategy for a specific client is based upon a client’s objectives and risk profile, which are discussed during initial and subsequent client meetings. Redwood’s minimum opening account balance is \$1 million; however, we will consider accepting a lower initial account balance.

Ask us questions to help you better understand our services: *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?*

Carefully review our [Form ADV, Part 2A Brochure](#), particularly Items 4, 7 and 12, to understand the services we provide.

## What fees will I pay?

Redwood charges an asset-based management fee for its investment management services which you pay whether you make or lose money on your investments. Generally, our annual management fee for account values up to \$5 million is 1% of the value of the total assets in your account. The fee declines on the next \$5 million to 0.85%. Fees on any asset amounts above \$10 million are negotiable. Redwood prefers to bill management fees in arrears, though clients may choose to pay their management fees in advance. The management fee does not include fees related to brokerage commissions, transaction fees, and other related account costs and expenses including custodial fees, transfer taxes, wire transfer and electronic fund fees, and other taxes and fees. Redwood’s management fees are asset- based, and the fees you pay will increase as your investment account grows. Thus, the firm may have an incentive to encourage you to increase the assets in your account. Redwood prefers to deduct your management fee from your account each quarter, though clients may choose to receive and pay an invoice. Other fees and costs are also deducted from your account and will appear on your quarterly statement that you receive from your broker and/or custodian bank.

Ask us questions to help you better understand the impact of fees and costs on investments: *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?*

**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.**

Carefully review our [Form ADV, Part 2A Brochure](#), particularly Items 5, 6 and 12, to understand the fees and costs you will pay.

## 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 have to act in your best interest and not put our interest ahead of ours. 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 are some examples to help you understand what this means.

Redwood receives other benefits, referred to as “soft dollars,” through multiple arrangements entered into with third parties. “Soft dollars” refers to the practice of using broker commission dollars to pay for trading and research related goods or services and trade execution. A portion of the broker commission you are charged is credited as “soft dollars” which Redwood exchanges for certain research-related products including: calls, reports, meetings with analysts, investment conferences, and investment data. This creates a conflict of interest. When broker commissions relating to client transactions are used to obtain research or other products or services, Redwood receives a benefit for which it does not have to pay. Thus, Redwood has an incentive to select a broker-dealer based on Redwood’s interest in receiving the research or other products or services, rather than receiving a lower commission. Using “soft dollars” can result in clients having to pay higher commissions than those charged by other broker-dealers in return for these benefits.

We entered into an agreement with our affiliate, Fred Alger Management, LLC, a registered investment adviser (“Alger”), whereby Alger introduces prospective clients to us. Alger is entitled to receive a portion of the advisory fee paid by such clients from us with respect to such clients. Our affiliation with Alger is a conflict of interest because Alger receives compensation and/or additional compensation for providing investment advisory services to you. We have an incentive to recommend and provide these other services to you.

Ask us questions to help you better understand our conflicts of interest: *How might your conflicts of interest affect me, and how will you address them?*

Carefully review our [Form ADV, Part 2A Brochure](#), particularly Items 10, 11, 12 and 14, for more detailed information about our conflicts of interest.

## How do your financial professionals make money?

Redwood employees are compensated out of the management fees paid by all clients, including institutional clients.

The compensation structure is a conflict of interest because our financial professionals have an incentive to encourage a retail investor to increase the assets in a retail investor’s accounts.

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

No, please visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research our firm and our financial professionals.

Ask us questions to help you better understand our disciplinary history: *As a financial professional, do you have any disciplinary history? For what type of conduct?*

## Additional Information

Carefully review our [Form ADV, Part 2A Brochure](#) for additional information about our services. You may request updated information and a copy of our Customer Relationship Summary by contacting us at (212) 806-8800.

Ask us questions to help you better understand who to contact with any questions or complaints: *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?*

The [Customer Relationship Summaries](#) for Alger and the [Customer Relationship Summary](#) for Redwood may be requested by contacting us at (212) 806-8800.