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Dear GreenWood Investor:

We had another good quarter of performance, +8.0% for the Traditional composite and +8.1% for the Global Micro composite. More importantly, we have delivered on our purpose to maintain a highly actionable and attractive *current* portfolio. We have actively managed our book of investments, and when combined with solid strategic improvements at several of the underlying holdings, we have been able to maintain a very attractive opportunity set. At quarter-end, our portfolio carried over 40 units of potential upside for every unit of risk we have taken, and because we took advantage of market weakness in MEI Pharma (MEIP) subsequent to the quarter, this opportunity set has only improved in the past couple of weeks to a record for the year.

Exhibit 1: GreenWood's Composite Performance[1] vs. MSCI ACWI All Cap (Net)

	Traditional	Global Micro	MSCI	Correlation
8/1/08-12/31/08	-10.9%		-33.9%	88.6%
2009	155.3%		36.6%	77.7%
2010	28.5%		14.5%	27.3%
2011	-1.0%		-8.0%	68.9%
2012	-5.6%		16.4%	38.9%
2013	14.2%	18.0%	23.6%	70.5%
2014	0.1%	2.1%	3.8%	32.2%
2015	11.2%	11.9%	-2.2%	87.2%
2016	-3.1%	-1.7%	8.4%	87.1%
YTD 9/30/17	+31.5%	+29.7%	+17.3%	44.3%
Cumulative	342.9%	71.7%	76.7%	
Annual Compounded Rate	17.6%	12.1%	6.4%	

As discussed in last quarter's letter, short-term investment performance is often attributed to us having a differentiated and contrarian view on reality that turns out to be more accurate than that of our counterparties. In the long-term, builders, creators, and managers are actually the only ones who create value. Investors' gains or losses are made at the expense of their counterparties' gains or lost opportunities. Very few actually create value.

Through the diligence process, one of the most useful questions we continuously ask ourselves, is "who is on the other side of this trade, and what do they think?" One of the most convenient consequences of transparently sharing our thesis on our investments is the feedback this elicits, most usefully from those who don't share a similar view of reality. While each person interprets information slightly differently than others, armed with extensive research on each situation, we seek to have the view most aligned with reality. We particularly look for situations where our view differs materially from that of the marginal or average counterparty. Of course, in a marketplace of millions of traders, this counterparty view is actually impossible to understand with any degree of precision.

But asking the question and exploring the other side of the trade is an incredibly useful part of the investment process, and we'd like to expand upon this diligence item in this quarterly letter. Also, because the other side of the trade in America is increasingly robotic, our counterparties are increasingly changing with interesting implications for investing going forward.

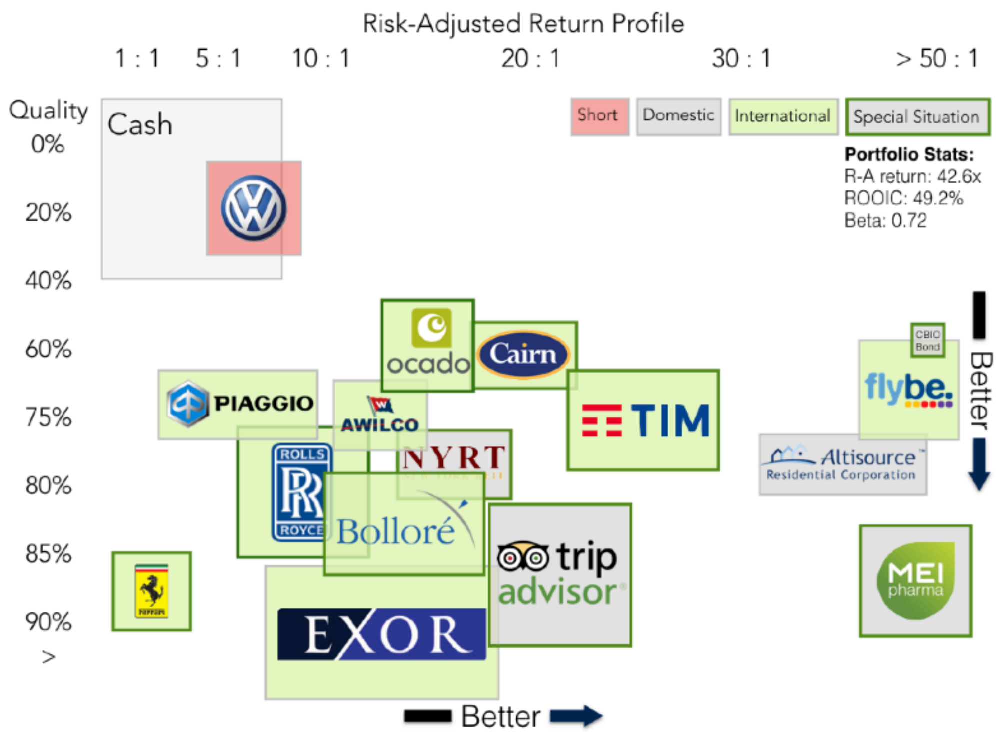
We recently wrote about our two favorite family-controlled companies where managers make decisions for the medium and long-term health of their businesses and legacies, often at the expense of immediate gratification. The short-term focused counterparties to our purchases in EXOR (EXO IM) and Bolloré (BOL FP) are myopically focused on the daily movements in the short-term Net Asset Value (NAV) and the historical discounts with which these securities have typically traded. In most cases, these counterparties are also expressing views on the underlying investments. EXOR has been most recently shunned because of the particularly active hurricane season this year. In one of the worst years on record, EXOR's wholly-owned reinsurance company, PartnerRe (PRE) only incurred around

[1] Represents GreenWood's Traditional & Global Micro Composites. Performance prior to January 2011 represent the returns generated by the manager prior to founding GreenWood Investors, using the same strategy. GreenWood Investors LLC claims compliance with the Global Investment Performance Standards (GIPS®) and a GIPS-compliant presentation is available on our website (click here for access). **Past performance is no guarantee of future results.**

0.4% of the industry's losses, despite having over 2.4% market share within the non-life reinsurance industry. Pricing for insurance contracts and reinsurance contracts are already strengthening in the aftermath of an epic year, one in which insured losses could easily surpass the 2005 insured losses of $117 billion. That was the worst year on record for the insurance industry. While this hurricane season will take 1-1.5% away from PRE's book value (32-48 bps of EXOR's NAV), it will create the first constructive environment for the industry in a long while. As traders reacted to the news-flow by pushing EXOR's discount to NAV deeper into value territory, we were taking advantage of the retreat by adding to the position for new clients. Through the excellent risk mitigation and management PartnerRe has routinely exhibited, plus the improving reinsurance environment, the market's focus on bad news flow has allowed us to continue building a position in a compound interest machine at our counterparties' lost opportunity. In just a few months, should the discount hold at such attractive levels, the company itself will be joining us on the buy-side of the market. So we are in very good company.

Similar to EXOR, our counterparties in the market for Bolloré demand a 61% discount to fair net asset value "because it's always been that way." With a more cash-rich balance sheet in the wake of the take-out of Havas by Vivendi, we wouldn't be surprised if Bolloré wasn't already joining us on the bid-side of the market. We know of no better investments for these companies than their own shares. The incremental bird-in-hand return on capital for each euro deployed on such repurchases is 48% for EXOR and 158% for Bolloré. We sincerely hope the discounts remain at their historically attractive levels, and trust our counterparties will keep them steady for the time being.

Exhibit 2: GreenWood Model Portfolio Composition[2] as of 9/30/17



A recently added core position, TripAdvisor (TRIP), is particularly controversial, with a short interest at almost 20% of the float, or over eight days of liquidity. Online travel stocks have historically been crowded and expensive, given the phenomenal performance of shares of Priceline Group over the last decade, and the very strong performance of Expedia and Ctrip.com. But because the near-term visibility to TripAdvisor's quarterly earnings is lower than normal, given it is in the midst of a transition in its marketing strategy, most of the investor base that would typically own TripAdvisor has flipped the long into a short. The typical counterparty in technology stocks is a fund that manages very short-term-focused limited partners, and a stock with 2.4x the market's volatility and with low quarterly earnings predictability has forced much of the investor base to abandon this highly valuable asset. We think it's created a situation with an exceptional risk-reward, as the company will likely be sold should its medium-term performance not

[2] Each account's balance may vary due to differences in strategy, account sizes and rounding of positions, as well as inclusion or exclusion of certain "illiquid" securities and currency hedges. Non-Margin and retirement accounts may not hold short positions in securities, and will thus be excluded from the portfolio. New accounts will not conform to the model account in cases where securities no longer fit GreenWood's initial investment criteria. Risk-Adjusted Return profile represents GreenWood's approximate estimate of fair value versus downside risks as of the date listed above. Our Quality score combines assessments of dozens of qualitative factors that we believe drive long-term stock performance.

continue to improve. Of course we would rather the results to continue the solid progress made in the first half of 2017, which would allow this to become a long-term core position for us. If not, we stand prepared to make the position significantly larger with any further weakness.

While Rolls-Royce (RR/ LN) has become less controversial than when we first built this core position, most sell-side analysts still rate the company as a short or hold. The marginal trade in Rolls-Royce is highly concerned with when the company will hit its £1 billion free-cash-flow (FCF) target. The company's highly capable CEO Warren East, who has a history of being very conservative, has said that this could be achievable in the next few years. But as the company emerges from its "perfect storm," during which it invested heavily in market share gains by delivering new loss-making engines in the midst of a weak environment for its profitable engines, it is slowly transitioning to a period where not only its engines will be profitable, but the revenue mix will be more skewed to extremely high-margin services business. The right question, if you ask us, is not trying to precisely time the company hitting the £1 billion FCF goal, but how quickly it can double that (we estimate about three years after the first milestone is hit). We are positioned to benefit from conservative 2018 guidance along with an accounting transition, and would like to rebuild Rolls-Royce to an over 10% position with incremental weakness. As FCF continues improving throughout 2018 and into 2019, we wouldn't be surprised if Rolls joins us on the bid side of the market eventually.

Rounding out our top five positions, which make up more than half the portfolio, Telecom Italia (TITR IM) has been the king of "headline risk," over the past year. Our counterparties are selling more shares to us because the government has been using nearly every avenue possible to get the company to agree to sell it portions or all of the company's fixed-line network infrastructure. The state views this as a key asset of high strategic importance and it has exercised its "golden share," right to have veto power over any asset sales of the company. We think the harder the government tries to acquire control of the network, the better this will turn out for shareholders of Telecom Italia. If the company separates its network, it will do so under highly accretive terms to current shareholders. Furthermore, this separation would demote the strategic importance of the standalone TI to the government, which would enable more interesting joint ventures with other media and telecom businesses in Europe. Thus, while our counterparties routinely devalue Telecom Italia's stock with every news development related to the network separation, the headline-focused traders are increasingly missing the forest for the trees. We not only are welcoming of the network separation, but are urging Vivendi to embrace this split.

The Italian stock market often behaves very similarly to small cap US stocks, where rumors and news flow drive pronounced stock price movements. This gives fundamental investors, armed with detailed knowledge of the value-drivers of a business, ample opportunity to let reason dominate emotion and take advantage of the irrationality. We have been equally perplexed by positive news-flow at MEI Pharma negatively affecting shares in recent months. We are quite happy about the weakness, and have returned the position to a top position for us. Investors trading on news flow, rumors and technical chart patterns would do well to realize that in a casino, the house almost always wins. We'll be on the "house," side of the transaction, and are happy to provide liquidity to these reacting traders.

Broadband adoption isn't the only area where Italy is lagging America by at least a decade. Its stock market, along with most other European countries, has yet to become heavily robotized. Robotization of the U.S. market, which has been accelerating in recent years, removes the emotions from trading activity, but also adds momentum to stock prices. Often times, a robotized market either under-reacts or over-reacts to changes in the fundamentals of a company. Stocks that are included in index funds are routinely under-reacting to news-flow, while stocks outside of these all-important indices are seeing machines amplify the reactions of the few humans left in the market.

Furthermore, quantitative funds run by algorithms can only make decisions based upon analysis of recent historical trends. And although Silicon Valley is trying to invent the modern equivalent of the crystal ball, it has yet to make any substantive progress on quantum computers. While the crystal ball has remained elusive for Silicon Valley, it hasn't stopped unicorns from becoming all the rage. Not only do we expect this ebullience to be the next financial bubble to burst (more on that in an article later this fall), but investors in these endeavors would have done well to consider their counterparties in such ventures. Almost always, the counterparty for new investors in such firms is typically the founder or the company. These counterparties have an inherent information advantage. We would rather be on the same side of the trade as a founder.

The other area of wide-spread financial ebullience, the bond market, has a similar trade imbalance. Sellers of credit are technically the management teams and companies that issue the securities, with a structural information advantage. The other side of the trade in the bond market is almost always someone who has outsourced pricing decisions to Moody's and S&P. We all know how well that turned out a decade ago with mortgage-backed securities. Buyers here have also had formidable competition in central banks with near infinite buying power.

Studying counterparties and their motives is always a useful question a buyer should be asking in any transaction - be it a house, investment or even a consumable. And as we've mentioned, in the U.S. stock market, this counterparty is increasingly becoming robotized. This is forcing investors to consider how they will maintain an edge against computing power that can instantly process data and react far more quickly. We sarcastically call this exploration the "defense against the dark arts," as automation and robotization will be affecting nearly every industry. Today is an age of near-free and ubiquitous information. This information is increasingly getting processed and digested by machines who are simultaneously making buy-sell decisions based on an algorithm that is anchored on historical patterns. Yet, without the invention of the computerized crystal ball, these machines still cannot accurately paint a picture of future potentiality and cannot focus beyond the next few seconds.

In the most famous and successful example of machine-enabled fund management, Bridgewater Associates talks about the world as a mechanistic and predictable Rube Goldberg, to which computers can predictably and precisely react, given a properly-written algorithm based on the law of cause and effect. As quantum mechanics has long proved, causality, while useful to scientists centuries ago, is far too simplistic to accurately explain reality. Perhaps it worked to describe an apple falling from a tree, but it cannot accurately describe complex systems. Newtonian physics was so consistent in failing to explain actual observed experiments, an entire new field of science had to be invented to explain the actual outcomes of these experiments. The real world has an infinite range of possibilities and potentialities, and the probabilities of anything materializing are dynamically changing with every action and reaction.

Furthermore, the more variables one adds to a study, the less knowable the outcome of a range of potentialities becomes. The Heisenberg Uncertainty Principle actually proved that nothing can be measured with any degree of exactness if two or more variables exert influence upon the subject under investigation. Believing that we can draw precise conclusions about the economy and market defies science. This is important because precision, or the illusion of precision, is necessary for computers to draw reliable conclusions. Computers cannot make imprecise judgements about reality nor make actionable predictions based on incomplete information, though the industry tries.

One of Robert F. Kennedy's campaign slogans was "Some men see things as they are and say, why; I dream things that never were and say, why not." If he would have been an investor in 2017, perhaps he would have said something more along the lines of "Some machines see things as they are and say, trade; I dream of things that never were and say, I disagree." Creative and strategic thought is inherently human. We're not sure a machine will ever know how to, on its own, react to a turnaround plan, strategic operational changes, or a shift in the competitive dynamic of the industry. Some of our best investments have historically had the quantitative backward-looking appearance of a stagnant or deteriorating enterprise. Yet quantitative analysis can only get one so far. One must go beyond historical financials and study the myriad of influences that will affect the future trajectory of the company. We have summarized this evolving myriad as a quality score, and we have changed our portfolio display for the first time since inception to show this as the Y-axis in exhibit 2. We believe these qualitative factors, not inherently unpredictable catalysts, drive long-term company performance. We seek to maximize these drivers as well as the risk-reward for every position, among a few other key measures. It is our own "defense against the dark arts."

But we're not stopping there. We have remained relatively quiet over the last couple of months working nonstop on our next innovations. They will continue to further humanize and upgrade the investment process, and we are incredibly grateful to you, our investors, for giving us the privilege of investing and innovating on your behalf.

Annuit cœptis,

Steven Wood, CFA

Appendix A

Portfolio as of September 30, 2017

Symbol	Position	What's Happening?
EXO IM	13.3%	Discount to NAV widened to >30%, after weathering the '17 storm season very well. First ever investor day in October reinforced our view that this investor adds significant value to its holdings.
TRIP	10.0%	Increasing signs that the company will be sold. Solid Q2 progress underlines the long-term thesis in the company - that it will win on mobile and the non-hotel business is very valuable. We are prepared for a messy quarter to continue adding to this position.
RR/ LN	8.4%	It's been a quiet few months, but the focus is increasingly shifting to the ramp in free-cash-flow, which we also have confidence on. 2018 will be a small step in the right direction and we're prepared for a conservative guide to increase our position here.
BOL FP	8.2%	Key holding Vivendi continues recovery and will likely IPO carve-out its crown jewel, UMG, to unlock value and provide cash for investments. Global trade accelerating and results improving.
TITR IM	7.6%	Network separation increasingly likely. Combative (with the government) CEO has been replaced and Vivendi more open to considering alternatives. Results continue to impress while @ trough valuation.
PIA IM	5.6%	European markets have continued positive momentum off the bottom, and stock has rallied along with it. India slowly recovering from last year's demonetization. Margins continue to expand, but we're waiting for the coiled spring to show more meaningful progress.
MEIP	5.3%	Increasing likelihood of another partnership on PI3KD inhibitor, with more results in December on this and another program. Fourth compound added to the mix looks highly compelling. Risk-adjusted return profile has further improved, and will continue to improve as we move through an eventful '18.
FLYB LN	5.0%	The maturation of the numerous routes lunched in the past few years is allowing for better revenue and profitability metrics, but investments in IT and maintenance have made profit improvements slower than we would have liked. Still poised for meaningful recovery in profitability.
RESI	4.8%	No major home portfolio purchases have been announced since Q1, and so the stock has drifted lower, but while the $1.75 / share in DCF could be delayed by a few quarters, the trajectory is quite clear. We have taken advantage of the recent weakness to add back what we sold earlier in the year.
VOW GR	-4.3%	Continuing to anticipate a very unfavorable China market in the near-term (45% of earnings), meanwhile Dieselgate and collusion issues continue to haunt. Accelerated of electrification will be a headwind to margins just as market share losses to Tesla manifest. We've increased this short lately.
OCDO LN	4.2%	The longer it takes to sign an international partner, the worse the strategic outlook becomes (Amazon-Whole Foods competition should be reacting). We're waiting on either a lower price to react, or news on partnership measures.
CNE LN	4.0%	Cash-flow started this summer from its first UK field, another starting any month now. Company was able to find more reserves in Senegal and will direct cash-flow to further development in North Sea & Senegal as well as exploration in Norway, Ireland and Mexico. Little value given to Senegal, a commercial discovery. Arbitration with India to recoup large restricted cash a few quarters away.
NYRT	3.8%	Company's asset sales have begun - largely inline with our base case assumptions, with some upside to come from creative plan for Worldwide Plaza. Have bought more with the negative stock market reaction to the arrangement for WWP. NY market less robust than six months ago.
AWDR NO	3.0%	Company has secured work for its primary rig into 2021, and is now working on either bringing its second rig back to market or accretive M&A to increase the upside further.
RACE	2.0%	Stock has been quite strong during this predictably transformational year. We have great conviction in the strength of the brand and the ability to sell more cars, but have consolidated more of our investment into our EXOR holding, where we own the portfolio at an over 30% discount.

Portfolio Risk-Adjusted Return Profile: 42.6x