



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

**Clearwater Capital Partners**

**Main Office:**

2800 W. Higgins Road  
Suite 1025  
Hoffman Estates, IL 60169

Telephone: 847-841-8650  
Email: [general@ccpwealth.com](mailto:general@ccpwealth.com)  
Web Address: [www.ccpwealth.com](http://www.ccpwealth.com)

03/27/2024

This brochure provides information about the qualifications and business practices of Clearwater Capital Partners. If you have any questions about the contents of this brochure, please contact us at 847-841-8650 or [general@ccpwealth.com](mailto:general@ccpwealth.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

Additional information about Clearwater Capital Partners also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. The firm's CRD number is 139886.

## Item 2 Material Changes

This Firm Brochure, dated 03/27/2024, provides clients with a summary of Clearwater Capital Partners' (CCP) advisory services and fees, professionals, certain business practices and policies, as well as actual or potential conflicts of interest, among other things. This Item is used to provide clients with a summary of new and/or updated information; CCP will inform of the revision(s) based on the nature of the information as follows.

1. Annual Update: CCP is required to update certain information at least annually, within 90 days of the firm's fiscal year end (FYE) of December 31st. CCP will provide clients with either a summary of the revised information with an offer to deliver the full revised Brochure within 120 days of the firm's FYE or CCP will provide clients with a revised Brochure that will include a summary of those changes in this Item.
2. Material Changes: Should a material change in CCP's operations occur, depending on its nature the firm will promptly communicate this change to clients (and it will be summarized in this Item). "Material changes" requiring prompt notification will include changes of ownership or control; location; disciplinary proceedings; significant changes to CCP's advisory services or advisory affiliates – any information that is critical to a client's full understanding of who we are, how to find us, and how we do business.

The following is a summary of some of the new or revised disclosures based on information previously provided in the Firm Brochure dated 03/25/2023:

- Advisory Business under Item 4 has been updated to reflect the following:
  - Clearwater Capital Accounting Services, LLC, a personal bookkeeping and bill pay provider under common ownership with CCP, has been added to the related entity list. Details on the services provided have also been included. Clients of CCP are not under any obligation to engage these services when considering the implementation of advisory recommendations. CCP will not take custody of client assets as it relates to these services.
  - Ownership of the Clearwater Capital Partners, LLC holding company has been updated.
  - A detailed description of Family Office Services which are offered to families with significant assets, generally in excess of \$25 million, and complexity has been further updated. These services are a combination of other listed services as well as services specific to the needs of those families.
  - A detailed description of Private Wealth Management which is offered to families with significant assets and complexity has been added. These services are a combination of other listed services as well as services specific to the needs of those families.
  - A detailed description of Institutional Advisory Services which are offered to businesses, non-profits, and third party Family Offices has been added. These services are a combination of other listed services as well as services specific to the needs of those institutions.
  - The amount of managed assets have been amended to a total of \$1,232,116,039 as of 2/1/2024. Of that, \$1,028,583,904 is managed on a discretionary basis and \$203,532,135 is managed on a non-discretionary basis.
- Fees and Compensation under Item 5 has been updated to reflect the following:
  - Private Wealth Management has been added and will generally be covered by billing methods listed including asset-based Wrap/Non-Wrap Program fees, and project based Hourly/Fixed fees. The specific fee schedule will be detailed in the contract between the firm and the client.
  - Institutional Advisory Services have been added and will generally be covered by billing methods listed including asset-based Wrap/Non-Wrap Program fees, and project based Hourly/Fixed fees. The specific fee schedule will be detailed in the contract between the firm and the client.
  - The Tiered Fee schedule has been updated for both Wrap Fee Program and Non-Wrap

Fee Program participants. This updated schedule will apply on new relationships starting 3/31/2024. The specific fee tier will be detailed in the contract between the firm and each client. The separate fee schedule for Thematic Exploration strategies has been removed.

- Effective as of 3/31/2024, all new Wrap Fee Program and Non-Wrap Fee Program participants will be subject to a minimum monthly fee of \$416.67 (\$5,000 annually). This monthly minimum fee is aggregated across the billing group and is applied on a pro-rata basis across accounts based on size. This minimum fee may cause you to determine the cost of our services to be cost prohibitive as it could cause you to pay a fee greater than 1.00% per annum, depending on the level of assets in your billing group.
- The Tiered Fee schedule has been updated for Retirement Plan Advising Services. This updated schedule will apply on new relationships starting 3/31/2024. The specific fee tier will be detailed in the contract between the firm and each client.
- Effective as of 3/31/2024, all new Retirement Plan Advising Services clients will be subject to a minimum quarterly fee of \$1,250 (\$5,000 annually). This quarterly minimum fee is aggregated across the plan and is generally applied on a pro-rata basis across participant accounts based on size. This minimum fee may cause you to determine the cost of our services to be cost prohibitive as it could cause you to pay a fee greater than 0.550% per annum, depending on the level of assets in the plan.
- Bookkeeping and Bill Pay services have been added under Non-Advisory Compensation. Fees for these services are billed separately and are based on normal and customary fee schedules.
- Other Financial Industry Activities and Affiliations under Item 10 has been updated to include CCP's affiliation with the Bookkeeping and Bill Pay services offered through Clearwater Capital Accounting Services, LLC. There is no direct compensation for referral agreement in place, however the relationship between the two businesses creates a conflict of interest when CCP employees recommend these services.
- Investment Discretion under Item 16 has been updated to make it clear that certain Alternative Investments that are not publicly traded will be managed on a non-discretionary basis. This is due to the nature and qualification requirements for participation.

<b>Item 3</b>	<b>Table of Contents</b>	<b>Page</b>
Item 1	Cover Page	1
Item 2	Material Changes	2
Item 3	Table of Contents	4
Item 4	Advisory Business	5
Item 5	Fees and Compensation	9
Item 6	Performance-Based Fees and Side-By-Side Management	16
Item 7	Types of Clients	16
Item 8	Methods of Analysis, Investment Strategies and Risk of Loss	16
Item 9	Disciplinary Information	19
Item 10	Other Financial Industry Activities and Affiliations	19
Item 11	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	21
Item 12	Brokerage Practices	22
Item 13	Review of Accounts	24
Item 14	Client Referrals and Other Compensation	25
Item 15	Custody	25
Item 16	Investment Discretion	26
Item 17	Voting Client Securities	26
Item 18	Financial Information	26

Part 2B of Form ADV: Brochure Supplements

John E. Chapman	27
John W. Sleetling	30
Jeffrey P. DeHaan	33
Tyler J. Beachler	37
Kevin G. Carani	40
Gregory W. Davis	43
James F. Chapman	47
Joshua M. Beachler	50
Melissa J. Dailey-Newman	53
Kathleen M. Oconnor	57
Valerie N. Hogan	61
Jacob M. Clark	64
Appendix 1: WRAP Fee Program Brochure	65

## **Item 4 Advisory Business**

Clearwater Capital Advisors, LLC Doing Business As (DBA) Clearwater Capital Partners (CCP) is an SEC-registered investment adviser with its principal place of business located in Illinois. Clearwater Capital Partners began conducting business in 2006 as BSC Private Wealth Management, LLC.

Clearwater Capital Advisors, LLC, Clearwater Capital Insurance, LLC, and Clearwater Capital Consulting, LLC, and Clearwater Capital Accounting Services, LLC all operate under the Clearwater Capital Partners name and are majority owned by Clearwater Capital Partners, LLC.

Listed below are the principal shareholders of the Clearwater Capital Partners, LLC holding company.

**John E. Chapman, CEO, Chief Investment Strategist**

**Alan R. Krause, Partner, CFO**

**John W. Sleeting, Executive Partner**

**Jeffrey P. DeHaan, Partner, CCO**

CCP offers the following advisory services to its clients:

### **FAMILY OFFICE SERVICES**

CCP offers Family Office Services for clients with significant family assets, generally with a Net Worth in excess of \$25 million and often including a significant level of non-public holdings, leading to increased complexity requiring comprehensive, integrated advice across a diverse range of topics and across multiple family generations. Services to be rendered will be determined after a detailed scoping engagement and outlined in a tailored service agreement. These services will often entail many of the services listed below, in addition to other areas including, but not limited to, non-public investment analysis, family governance and legacy consulting, charitable giving and wealth transfer strategies, tax efficiency, integrated family and business cashflow analysis, and total wealth capital allocation and placement strategies.

### **PRIVATE WEALTH MANAGEMENT**

CCP offers Private Wealth Management for clients with significant family assets in need of broad wealth management services requiring integrated advice across a diverse range of topics spanning across their entire balance sheet. Services to be rendered will vary by client based on need. These services will often entail many of the services listed below, in addition to other areas including, but not limited to, retirement and goals based planning, legacy consulting, charitable giving and asset transfer strategies, tax efficiency, family cashflow analysis, and capital allocation strategies.

### **INSTITUTIONAL ADVISORY SERVICES**

CCP offers Institutional Advisory Services for businesses, non-profits, and third-party Family Offices requiring integrated advice across a diverse range of topics spanning across their entire balance sheet. These may include, but are not limited to, the creation, execution and management of an Investment Policy Statement, discretionary asset management, cash flow planning, balance sheet management, and process management. Services to be rendered will vary by client based on need. These services will often entail several of the services listed below.

### **WRAP FEE PROGRAM INDIVIDUAL PORTFOLIO MANAGEMENT**

CCP sponsors and acts as the sole investment manager to the Clearwater Capital Partners Strategic Wealth Management Program (the Program), a wrap fee program. A wrap-fee program is an investment management program that provides the client with investment advisory services and brokerage trade execution services for

a single, inclusive fee. The client is not charged separate fees for these respective components of the total service. Transactions in Program accounts are effected 'net,' i.e., without a separate transaction expense to the client, and a portion of the wrap fee is generally considered as being in lieu of transaction expenses. However, clients may incur additional costs, as applicable, for custodial fees, odd-lot differentials, fees and expenses charged by mutual funds and exchange traded funds (ETFs) to their shareholders, exchange fees, transfer taxes, wire transfer and electronic fund fees and certain administrative fees charged in connection certificate issues as stipulated by the account custodian. CCP reserves the right to reimburse clients for certain of these fees as it deems appropriate with respect to the overall relationship.

CCP provides continuous advice to clients regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, CCP develops a client's personal investment strategy and creates and manages a portfolio based on that strategy.

During the data-gathering process, CCP determines the client's individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, CCP also reviews and discusses a client's prior investment history, as well as family composition and background.

CCP manages these advisory accounts on a discretionary basis. Account supervision is guided by the client's stated objectives (i.e., aggressive growth, growth, growth and income, income with moderate growth, or income with capital preservation), as well as tax considerations. Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

CCP's investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company and may generally include advice regarding the following securities:

- Exchange-listed securities
- Securities traded over-the-counter
- Foreign issuers
- Corporate debt securities (other than commercial paper)
- Certificates of deposit
- Municipal securities
- Variable annuities
- Mutual fund shares
- Interests in partnerships investing in debt and/or equity, both public and private
- United States governmental securities
- Options contracts on securities
- Interests in partnerships investing in real estate
- Interests in partnerships investing in oil and gas interests

Because some types of investments involve certain additional degrees of risk, they will only be implemented/recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability. Therefore, portfolio strategies will vary between clients. Private Placement investments will generally be managed on a non-discretionary basis, due to their nature and suitability requirements.

Not all clients or client accounts will have exposure to the instruments listed above.

As further discussed in response to Item 12 of this Brochure, CCP generally recommends that Program clients utilize the brokerage and clearing services of either the Schwab Advisor Services division of Charles Schwab & Co., Inc. (Schwab), a FINRA registered broker-dealer, member SIPC, or LPL Financial, a FINRA registered broker-dealer, member SIPC (collectively referred to as Custodians). CCP may only implement its investment management recommendations after the client has arranged for, and furnished the firm with information and authorization, regarding accounts with the Custodians.

CCP's clients are advised to promptly notify CCP in writing if there are ever any changes in their financial situation or investment objectives which may impact how his/her account should be managed or if they wish to impose any reasonable restrictions upon CCP's management services.

For detailed information regarding the Program, clients should refer to the Program's separate disclosure document.

## **NON-WRAP FEE PROGRAM INDIVIDUAL PORTFOLIO MANAGEMENT**

Clients not participating in the Wrap Fee Program will pay applicable transaction expenses separately from the CCP advisory fee. CCP provides continuous advice to clients regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, CCP develops a client's personal investment strategy and creates and manages a portfolio based on that strategy.

During the data-gathering process, CCP determines the client's individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, CCP also reviews and discusses a client's prior investment history, as well as family composition and background.

CCP manages these advisory accounts on a discretionary basis. Account supervision is guided by the client's stated objectives (i.e., aggressive growth, growth, growth and income, income with moderate growth, or income with capital preservation), as well as tax considerations.

Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

CCP's investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company and may generally include advice regarding the following securities:

- Exchange-listed securities
- Securities traded over-the-counter
- Foreign issuers
- Corporate debt securities (other than commercial paper)
- Certificates of deposit
- Municipal securities
- Variable annuities
- Mutual fund shares
- United States governmental securities
- Options contracts on securities
- Interests in partnerships investing in real estate
- Interests in partnerships investing in oil and gas interests
- Interests in partnerships investing in debt and/or equity, both public and private

Because some types of investments involve certain additional degrees of risk, they will only be implemented/recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability. Therefore, portfolio strategies will vary between clients. Private Placement investments will generally be managed on a non-discretionary basis, due to their nature and suitability requirements.

Not all clients or client accounts will have exposure to the instruments listed above.

As further discussed in response to Item 12 of this Brochure, CCP generally recommends that clients utilize the brokerage and clearing services of either the Schwab Advisor Services division of Charles Schwab & Co., Inc. (Schwab), a FINRA registered broker-dealer, member SIPC, or LPL Financial, a FINRA registered broker-dealer, member SIPC (collectively referred to as Custodians). CCP may only implement its investment management recommendations after the client has arranged for, and furnished the firm with information and authorization, regarding accounts with the Custodians.

CCP's clients are advised to promptly notify CCP in writing if there are ever any changes in their financial situation or investment objectives which may impact how his/her account should be managed or if they wish to impose any reasonable restrictions upon CCP's management services.

## **RETIREMENT PLAN ADVISORY SERVICES**

CCP also provides several advisory services separately or in combination to Employer sponsored retirement plans. While the primary clients for these services will be pension, profit sharing, 401(k)/403(b), and non-qualified retirement plans, CCP offers these services, where appropriate, to individuals and trusts, estates and charitable organizations. Retirement Plan Advisory Services are comprised of four distinct services.

Clients may choose to use any or all of these services.

*Investment Policy Statement Preparation (hereinafter referred to as "IPS"):*

CCP will meet with the client (in person or over the telephone) to determine an appropriate investment strategy that reflects the plan sponsor's stated investment objectives for management of the overall plan. CCP may then prepare a written IPS detailing those needs and goals, including an encompassing policy under which these goals are to be achieved. The IPS also lists the criteria for selection of investment vehicles as well as the procedures and timing interval for monitoring of investment performance.

*Selection of Investment Vehicles:*

CCP assists plan sponsors in constructing appropriate investment menus. CCP will then review various mutual funds (both index and managed) and exchange traded funds to determine which investments are appropriate to implement the client's IPS. The number of investments to be recommended will be determined through consultation with the client, based on the IPS.

*Monitoring of Investment Performance:*

CCP monitors the plan sponsor's investment menu continually, based on the procedures and timing intervals agreed to with the client. Although each plan participant is responsible for the purchase or sale of these investments within their individual participant accounts, CCP will supervise the plan sponsor's investment menu and will make recommendations to the client as market factors and the client's needs dictate. If a recommendation to replace, add or remove a holding is made and accepted by the plan sponsor, CCP will facilitate the transaction with the plan record keeper and custodian.

*Employee Communications:*

For pension, profit sharing and 401(k) plan clients with individual plan participants exercising control over assets in their own account ("self-directed plans"), CCP may also provide educational support and investment workshops designed for the plan participants when the plan sponsor engages the firm to provide these services. The nature of the topics to be covered will be determined by CCP and the client under the guidelines established in ERISA Section 404(c). The educational support and investment workshops will NOT provide plan participants with individualized, tailored investment advice or individualized, tailored asset allocation recommendations. Individuals seeking individualized advice may request private consultation (either by telephone or in person), during which specific investment strategies may be discussed. The implementation of any or all recommendations is solely at the discretion of the participant, unless a separate advisory agreement has been implemented between the participant and CCP.

***Participant Managed Strategies***

For retirement plan clients with individual plan participants exercising control over assets in their own account ("self-directed plans"), CCP can offer to provide discretionary managed strategy investment options using the plan's investment menu, or individually through a brokerage window where available. With the exception of the brokerage window option, which falls under the Wrap Fee Program section referenced previously, CCP will manage the underlying holdings of each strategy as a 3(38) Fiduciary, though each participant must elect whether to participate. Further, CCP strategies will be limited to the fund options made available by the plan sponsor and will be subject to associated trading restrictions per plan policy. When deemed necessary, Adviser will rebalance the account considering client investment goals and risk tolerance, and any change in allocations will consider current economic and market trends. CCP will charge an additional fee on assets invested in these strategies, which will be detailed in the Advisory Agreement. While these fees compensate CCP for an additional service being provided, participants should be aware that a conflict of interest exists when CCP employees recommend the usage of these strategies.

## **INSURANCE SERVICES**

Insurance services are offered through an independent insurance agency, Clearwater Capital Insurance, LLC, a separate legal entity under common ownership and control with CCP. This agency provides insurance products such as Life, Long Term Care and Disability policies, and some CCP advisors are licensed insurance agents. Accordingly, CCP can offer insurance products as may be required in a comprehensive wealth management plan. Clients, however, are not under any obligation to engage these individuals when



considering implementation of advisory recommendations.

## **BOOKKEEPING/ BILL PAY SERVICES**

Household bookkeeping and bill pay services are offered through Clearwater Capital Accounting Services, LLC, a separate legal entity under common ownership and control with CCP. While these services are rendered independently, coordination between the providers is a necessary benefit. Clients, however, are not under any obligation to engage these services when considering the implementation of advisory recommendations. CCP will not take custody of assets under its management and will work with each client to create the necessary infrastructure based on client circumstances.

## **SPEAKING ENGAGEMENTS**

CCP participates in speaking engagements. Information shared during speaking engagements should not be considered specific advice to attendees, but is intended to be general educational information only.

## **AMOUNT OF MANAGED ASSETS**

As of 2/1/2024, through CCP's Private Client Advisory Practice and Retirement Plan Advising Practice, CCP is managing a total of \$1,232,116,039 of client assets.

Of this total CCP was managing \$1,028,583,904 of client assets on a discretionary basis plus \$203,532,135 of Qualified Plan clients' assets on a non-discretionary basis.

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

## **FAMILY OFFICE SERVICES**

Families eligible to participate in Family Office Services will generally be assessed a combination of the fees listed below including, but not limited to, asset based Wrap Fee Program fees, project based Hourly/Fixed Fees, and/or monthly retainer fees. The fee structures that apply will be subject to the services being provided, and will be billed per the applicable descriptions below. As a general reference, total fees for Family Office Services will generally range between 0.30%-0.60% of the total Assets Under Advisement.

**Limited Negotiability of Advisory Fees:** Although CCP has established the aforementioned fee schedule(s), CCP retains the discretion to negotiate alternative fees on a client-by-client basis.

Client facts, circumstances and needs are considered in determining an alternative fee schedule. These include the complexity of the case, assets to be placed under management, anticipated future additional assets, related accounts, portfolio style, account composition, and reports, among other factors. As such, fee levels and structure will vary between clients. Certain clients may be subject to multiple fee levels and structures.

CCP may group certain related client accounts for the purposes of determining the annualized fee. Discounts, not generally available to advisory clients, may be offered to family members and friends of associated persons of CCP. The specific annual fee schedule is identified in the contract between the firm and each client.

## **PRIVATE WEALTH MANAGEMENT**

Services provided to families eligible to participate in Private Wealth Management will generally be covered by the asset-based Wrap Fee/Non-Wrap Fee Program fees (see below). However, project based hourly/fixed fees may also be assigned for unique circumstances based on complexity involved. The specific annual fee schedule is identified in the contract between the firm and each client.

## INSTITUTIONAL ADVISORY SERVICES

Services provided to clients participating in Institutional Advisory Services will generally be covered by the asset-based Wrap Fee/Non-Wrap Fee Program fees (see below). However, project based hourly/fixed fees may also be assigned for unique circumstances based on complexity involved. The specific annual fee schedule is identified in the contract between the firm and each client.

### WRAP FEE PROGRAM INDIVIDUAL PORTFOLIO MANAGEMENT

The annualized fee for the Program is charged as a percentage of aggregated assets under management, according to the following schedule:

<b>Tiered Fee Schedule</b>	
<b><u>Assets Under Management</u></b>	<b><u>Marginal Annual Fee</u></b>
\$0 - \$2,000,000	1.000%
\$2,000,001 - \$5,000,000	0.750%
\$5,000,001 - \$10,000,000	0.550%
\$10,000,001 - \$25,000,000	0.350%
\$25,000,001 - \$50,000,000	0.300%
\$50,000,001 - \$100,000,000	0.250%
Above \$100,000,000	0.200%

As an example, a client with \$6,000,000 in aggregated Assets Under Management will be charged 1.00% on the first \$2,000,000 of Assets, 0.750% on the next \$3,000,000 of Assets, and 0.550% on the final \$1,000,000 of Assets.

For clients with accounts at Schwab, CCP fees are generally billed monthly, in advance, at the beginning of each calendar month based upon the value (market value or fair market value in the absence of market value), of the client's account at the end of the previous month. For clients with accounts at LPL, CCP fees are generally billed quarterly, in advance, at the beginning of each calendar quarter based upon the value (market value or fair market value in the absence of market value), of the client's account at the end of the previous quarter. Any accounts held at a custodian that is not one of CCP's recommended firms will be handled based on similar procedures based on that custodian's capabilities.

The client may make additions to and withdrawals from the account at any time, subject to CCP's right to terminate an account. If assets are deposited into an account the fee payable with respect to such assets will be prorated based on the number of days remaining in the billing cycle. Clients may withdraw account assets with notice to CCP, subject to the usual and customary securities settlement procedures. In the event of a distribution, CCP shall refund its unearned fee for that billing cycle based on the number of days remaining. However, CCP designs its portfolios as long-term investments and asset withdrawals may impair the achievement of the client's investment objectives. All fee adjustments due to flows will be made during the fee cycle following the flow(s).

For the initial billing period of investment management services, fees shall be calculated on a pro rata basis. The Agreement between CCP and the client will continue in effect until terminated by either party pursuant to the terms of the Agreement. CCP's fee shall be prorated through the date of effective termination and any remaining balance shall be charged or refunded to the client, as appropriate, in a timely manner subject to the 30 day notice requirement.

While CCP does not require a minimum account size for the Program, clients should be aware that accounts with smaller values will typically, out of necessity, hold fewer positions in higher concentrations than other client accounts. As a result, these accounts may experience a greater degree of volatility.

Fees will be directly debited in advance from the account in accordance with the client authorization in the

Client Services Agreement. The Custodian(s) recommended by CCP have agreed to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to CCP.

For detailed information regarding the Program, including the fee schedule, terms and other important considerations, clients should refer to the disclosure document (Form ADV, Part 2A Appendix 1) for the Program.

**Minimum Fee Requirement:** To ensure that CCP is best positioned to provide services at the level expected and required by its clients, the firm has instituted a minimum monthly fee of \$416.67 (\$5,000 annually) for all new relationships participating in the Wrap Fee Program entered into after March 31, 2024. The minimum fee will be based on total collected fees for the client billing group and will be applied across all accounts under management on a prorated basis. This minimum fee may cause you to determine the cost of our services to be cost prohibitive as it could cause you to pay a fee greater than 1.00% per annum, depending on the level of assets in your billing group.

**Limited Negotiability of Advisory Fees:** Although CCP has established the aforementioned fee schedule(s), CCP retains the discretion to negotiate alternative fees on a client-by-client basis.

Client facts, circumstances and needs are considered in determining an alternative fee schedule. These include the complexity of the case, assets to be placed under management, anticipated future additional assets, related accounts, portfolio style, account composition, and reports, among other factors. As such, fee levels and structure will vary between clients. Certain clients may be subject to multiple fee levels and structures.

CCP may group certain related client accounts for the purposes of determining the annualized fee. Discounts, not generally available to advisory clients, may be offered to family members and friends of associated persons of CCP. The specific annual fee schedule is identified in the contract between the firm and each client.

### **NON-WRAP FEE PROGRAM INDIVIDUAL PORTFOLIO MANAGEMENT FEES**

The annualized fee for Investment Supervisory Services is charged as a percentage of aggregated assets under management, according to the following schedule:

#### **Tiered Fee Schedule**

<u>Assets Under Management</u>	<u>Marginal Annual Fee</u>
\$0 - \$2,000,000	1.000%
\$2,000,001 - \$5,000,000	0.750%
\$5,000,001 - \$10,000,000	0.550%
\$10,000,001 - \$25,000,000	0.350%
\$25,000,001 - \$50,000,000	0.300%
\$50,000,001 - \$100,000,000	0.250%
Above \$100,000,000	0.200%

As an example, a client with \$6,000,000 in aggregated Assets Under Management will be charged 1.00% on the first \$2,000,000 of Assets, 0.750% on the next \$3,000,000 of Assets, and 0.550% on the final \$1,000,000 of Assets.

CCP fees are billed quarterly, in advance, at the beginning of each calendar quarter based upon the value (market value or fair market value in the absence of market value), of the client's account at the end of the previous quarter. Any accounts held at a custodian that is not one of CCP's recommended firms will be handled based on similar procedures based on that custodian's capabilities.

The client may make additions to and withdrawals from the account at any time, subject to CCP's right to terminate an account. If assets are deposited into an account the fee payable with respect to such assets will

be prorated based on the number of days remaining in the quarter. Clients may withdraw account assets with notice to CCP, subject to the usual and customary securities settlement procedures. In the event of a distribution, CCP shall refund its unearned fee pro-rata based on the number of days remaining in the billing cycle. However, CCP designs its portfolios as long-term investments and asset withdrawals may impair the achievement of the client's investment objectives. All fee adjustments due to flows will be made during the fee cycle following the flow(s).

For the initial quarter of investment management services, the first quarter's fees shall be calculated on a pro rata basis. The Agreement between CCP and the client will continue in effect until terminated by either party pursuant to the terms of the Agreement. CCP's annual fee shall be prorated through the date of termination and any remaining balance shall be charged or refunded to the client, as appropriate, in a timely manner.

While CCP does not require a minimum account size, clients should be aware that accounts with smaller values will typically, out of necessity, hold fewer positions in higher concentrations than other client accounts. As a result, these accounts may experience a greater degree of volatility.

Fees will be directly debited in advance from the account in accordance with the client authorization in the Client Services Agreement. The Custodian(s) recommended by CCP have agreed to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to CCP.

**Minimum Fee Requirement:** To ensure that CCP is best positioned to provide services at the level expected and required by its clients, the firm has instituted a minimum monthly fee of \$416.67 (\$5,000 annually) for all new relationships participating in the Wrap Fee Program entered into after March 31, 2024. The minimum fee will be based on total collected fees for the client billing group and will be applied across all accounts under management on a prorated basis. This minimum fee may cause you to determine the cost of our services to be cost prohibitive as it could cause you to pay a fee greater than 1.00% per annum, depending on the level of assets in your billing group.

**Limited Negotiability of Advisory Fees:** Although CCP has established the aforementioned fee schedule(s), CCP retains the discretion to negotiate alternative fees on a client-by-client basis.

Client facts, circumstances and needs are considered in determining an alternative fee schedule. These include the complexity of the case, assets to be placed under management, anticipated future additional assets, related accounts, portfolio style, account composition, and reports, among other factors. As such, fee levels and structure will vary between clients. Certain clients may be subject to multiple fee levels and structures.

CCP may group certain related client accounts for the purposes of determining the annualized fee. Discounts, not generally available to advisory clients, may be offered to family members and friends of associated persons of CCP. The specific annual fee schedule is identified in the contract between the firm and each client.

## HOURLY / FIXED FEE CONSULTING SERVICES

CCP provides consulting services to individuals and businesses. CCP may also provide non-securities advice on topics that may include, but are not limited to, business consulting, retirement, estate, budgetary planning, and education planning, personal and business tax planning in collaboration with a client's accountant and/or attorney. Clients, however, are not under any obligation to engage CCP when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client.

CCP's hourly consulting services fee generally ranges from \$250 to \$1,000 per hour based on the range and complexity of the services being provided and resources assigned. Fixed fee for service may also be charged for case strategy reviews which typically range from \$2,500 to \$12,000 per case based on complexity. CCP will provide an estimate for the total hours or fixed fee at the start of the consulting relationship.

Fees are due and payable upon completion of the analysis or services. CCP reserves the right to credit any portion of this fee back to the client based on subsequent advisory engagements for asset management. The decision to credit these fees back to the client will be at the sole discretion of CCP based on each unique situation.

## SPEAKING ENGAGEMENTS

CCP participates in speaking engagements. Information shared during speaking engagements should not be considered specific advice to attendees, but is intended to be general educational information only.

CCP's hourly speaking engagement fee generally ranges from \$250 to \$500 per hour based on the range and complexity of the services being provided and resources assigned. Fixed fee for service may also be charged for speaking engagements which range from \$2,000 to \$5,000 per case based on complexity. CCP will provide an estimate for the total hours or fixed fee at the start of the relationship.

Fees are due and payable prior to completion of the speaking engagement unless otherwise stated in the engagement contract.

## RETIREMENT PLAN ADVISING FEES

CCP fees for Retirement Plan Advising Services are based on a percentage of assets under management, according to the following schedule:

<u>Assets Under Management</u>	<u>Annual Fee</u>
\$0 - \$999,999	0.550%
\$1,000,000 - \$2,999,999	0.500%
\$3,000,000 - \$4,999,999	0.450%
\$5,000,000 - \$9,999,999	0.400%
\$10,000,000 - \$14,999,999	0.300%
\$15,000,000 - \$19,999,999	0.275%
\$20,000,000 - \$24,999,999	0.250%
\$25,000,000 - \$39,999,999	0.200%
\$40,000,000 - \$49,999,999	0.175%
Above \$50,000,000	Negotiated Flat Fee

Additionally, participants that choose to participate in CCP Managed Strategies or that engage CCP through a Brokerage Window will pay an additional management fee on assets invested in the strategy. Brokerage Window fees will vary based on specifics of the case and will be disclosed on each client's advisory agreement. While these additional fees are associated with an additional service, participants should be aware that the additional fee creates an incentive for CCP to recommend the strategies, creating a conflict of interest when CCP recommends participation.

Plan fees are generally paid at the end of each billing cycle. Billing cycles will generally be the calendar quarter, based on the plan balance on the last business day of the calendar quarter, or monthly, based on the plan balance on the last business day of the calendar month. Fees will generally be directly debited from the account in accordance with the client authorization in the Client Services Agreement. The Custodian(s) recommended by CCP have agreed to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to CCP. Clients may elect to instead be invoiced on a quarterly or monthly basis.

CCP reserves the right to charge a one time start up fee for Retirement Plans at its discretion.

**Minimum Fee Requirement:** To ensure that CCP is best positioned to provide services at the level expected and required by its clients, the firm has instituted a minimum quarterly fee of \$1,250 (\$5,000 annually) for all new relationships participating in Retirement Plan Advising entered into after March 31, 2024. The minimum fee will be based on total collected fees for the plan and will generally be applied across all participant balances on a prorated basis. This minimum fee may cause you to determine the cost of our services to be cost prohibitive as it could cause you to pay a fee greater than 0.550% per annum, depending on the level of assets in the plan.

## ***Participant Managed Strategies***

Clients participating in ***Participant Managed Strategies*** portfolios will be assessed an annualized fee of 1.00% on assets invested in the strategies.

CCP fees are generally billed monthly, in advance, at the beginning of each calendar month based upon the value (market value or fair market value in the absence of market value), of the client's account at the end of the previous month.

The client may make additions to and withdrawals from the account at any time, subject to CCP's right to terminate an account. If assets are deposited into an account the fee payable with respect to such assets will be prorated based on the number of days remaining in the billing cycle. Clients may withdraw account assets with notice to CCP, subject to the usual and customary securities settlement procedures. In the event of a distribution, CCP shall refund its unearned fee for that billing cycle based on the number of days remaining. However, CCP designs its portfolios as long-term investments and asset withdrawals may impair the achievement of the client's investment objectives. All fee adjustments due to flows will be made during the fee cycle following the flow(s).

For the initial billing period of investment management services, fees shall be calculated on a pro rata basis. The Agreement between CCP and the client will continue in effect until terminated by either party pursuant to the terms of the Agreement. CCP's fee shall be prorated through the date of effective termination and any remaining balance shall be charged or refunded to the client, as appropriate, in a timely manner subject to the 30 day notice requirement.

While CCP does not require a minimum account size for the Program, clients should be aware that strategies will be limited by the applicable fund menu and associated trading restrictions.

Participants will have the option to have fees directly debited in advance from any non-retirement account being managed by CCP under the Wrap Fee Program or via direct invoice in accordance with the client authorization in the Client Services Agreement. The Custodian(s) recommended by CCP have agreed to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to CCP when being directly debited.

***Limited Negotiability of Advisory Fees:*** Although CCP has established the aforementioned fee schedule, CCP retains the discretion to negotiate alternative fees on a client-by-client basis.

Client facts, circumstances and needs are considered in determining an alternative fee schedule. These include the complexity of the case, assets to be placed under management, anticipated future additional assets, related accounts, portfolio style, account composition, and reports, among other factors. As such, fee levels and structure will vary between clients. Certain clients may be subject to multiple fee levels and structures.

CCP may group certain related client accounts for the purposes of determining the annualized fee. Discounts, not generally available to advisory clients, may be offered to family members and friends of associated persons of CCP. The specific annual fee schedule is identified in the contract between the firm and each client.

## **HOURLY / FIXED FEE CONSULTING SERVICES (PLAN PARTICIPANTS)**

CCP provides consulting services to plan participants that have requested additional services and have signed a separate advisory agreement. In addition to investment advice, which may be provided on a non-discretionary basis, CCP may also provide non-securities advice on topics that may include, but are not limited to, business consulting, retirement, insurance, estate, budgetary planning, retirement planning and education planning, and personal and business tax planning in collaboration with a client's accountant and/or attorney. Clients, however, are not under any obligation to engage CCP when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client, with the exception of discretionary management of qualified plan assets when elected by the participant.

CCP's hourly consulting services fees generally range from \$250 to \$1,000 per hour based on the range and complexity of the services being provided and resources assigned. Fixed fee for service may also be charged for case analysis and will be based on complexity. CCP will provide an estimate for the total hours or fixed fee at the start of the consulting relationship.

Fees are due and payable upon to completion of services. CCP reserves the right to credit any portion of this fee back to the client based on subsequent advisory engagements for asset management. The decision to credit these fees back to the client will be at the sole discretion of CCP based on each unique situation.

## GENERAL INFORMATION

**Termination of the Advisory Relationship:** An Advisory client will have a period of five (5) business days from the date of signing the investment advisory agreement to unconditionally rescind the agreement and receive a full refund of all fees. Thereafter, a client agreement may be terminated at any time, by either party, for any reason upon receipt of 30 days written notice. The effective termination date will, therefore, be 30 days after written notice is received. As disclosed above, certain fees are paid in advance of services provided. Upon termination of any account, any prepaid, unearned fees will be promptly refunded. In calculating a client's reimbursement of fees, CCP will pro rate the reimbursement according to the number of days remaining in the billing period from the effective termination date.

**ETF/Mutual Fund Fees:** All fees paid to CCP for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without CCP services. In that case, the client would not receive the services provided by the firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and CCP's fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

**Additional Fees and Expenses:** In addition to CCP's advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s) outside of the Wrap Fee Program. Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

**Grandfathering of Minimum Account Requirements:** Pre-existing advisory clients are subject to CCP's minimum account requirements and advisory fees in effect at the time the client entered into the advisory relationship. Therefore, CCP's minimum account requirements will differ among clients.

**ERISA Accounts:** CCP is deemed to be a fiduciary to clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"), and regulations under the Internal Revenue Code of 1986 (the "Code"), respectively. As such, CCP is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, CCP may only charge fees for investment advice about products for which the firm and/or its related persons do not receive any commissions or 12b-1 fees, or conversely, investment advice about products for which the firm and/or its related persons receive commissions or 12b-1 fees, however, only when such fees are used to offset CCP's advisory fees.

**Advisory Fees in General:** Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower fees.

**Limited Prepayment of Fees:** Under no circumstances does CCP require or solicit payment of fees in excess of \$1200 more than six months in advance of services rendered.

**Non Advisory Compensation:** CCP may collect revenue related to Insurance and Bookkeeping/Bill Pay services that are normal and customary for the performance of those activities as described in Item 4 above.

**Retirement Plan Rollovers:** No client is under any obligation to rollover retirement plan assets to an account managed by CCP. A client or prospective client leaving an employer typically has four options regarding an existing retirement plan (and can engage in a combination of these options): leave the money in their former employer's plan, if permitted, roll over the assets to their new employer's plan, if one is available and rollovers are permitted, rollover to an Individual Retirement Account ("IRA"), or cash out the account value (which could, depending upon the client's age, result in adverse tax consequences). If CCP recommends that a client rollover

their retirement plan assets into an account to be managed by the CCP, such a recommendation creates a conflict of interest if CCP will earn an advisory fee on the rolled over assets. There are various factors that CCP considers before recommending a rollover, including but not limited to: 1. the investment options available in the plan versus the investment options available in an IRA, 2. fees and expenses in the plan versus the fees and expenses in an IRA, 3. the services and responsiveness of the plan's investment professionals versus CCP, 4. protection of assets from creditors and legal judgments, required minimum distributions and age considerations. To the extent that CCP recommends that clients roll over assets from their retirement plan to an IRA managed by CCP, then CCP represents that it and its investment adviser representatives are fiduciaries under the Employment Retirement Income Security Act of 1974 ("ERISA"), or the Internal Revenue Code, or both.

## Item 6 Performance-Based Fees and Side-By-Side Management

CCP does not charge performance-based fees.

## Item 7 Types of Clients

CCP provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High net worth individuals
- Pension and profit sharing plans (other than plan participants)
- Charitable organizations
- Corporations and other businesses

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

### METHODS OF ANALYSIS

CCP may use one or any combination of the following methods of analysis in formulating its investment advice and/or managing individual client assets:

**Asset Allocation.** Asset allocation is an investment strategy that aims to balance risk and reward by apportioning a portfolio's assets to various asset classes according to an individual's goals, risk tolerance, and investment horizon. Rather than focusing primarily on securities selection or market timing, CCP attempts to identify an appropriate ratio of available asset classes suitable to the client's circumstances. CCP regards asset allocation as one of the most important decisions an investor can make and as the principal determinant of portfolio performance. A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of asset classes will change over time due to stock and market movements and, if not corrected, may no longer be appropriate for the client's goals. Portfolio allocations will be monitored and rebalanced over time as determined by CCP.

**Fundamental Analysis.** CCP attempts to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell). Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

**Technical Analysis.** CCP analyzes past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement. Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

**Cyclical Analysis.** In this type of technical analysis, CCP measures the movements of a particular stock against the overall market in an attempt to predict the price movement of the security.



**Quantitative Analysis.** CCP uses mathematical models in an attempt to obtain more accurate measurements of a company's quantifiable data, such as the value of a share price or earnings per share, and predict changes to that data. A risk in using quantitative analysis is that the models used may be based on assumptions that prove to be incorrect.

**Qualitative Analysis.** CCP subjectively evaluates non-quantifiable factors such as quality of management, labor relations, and strength of research and development factors not readily subject to measurement, and predict changes to share price based on that data. A risk in using qualitative analysis is that CCP's subjective judgment may prove incorrect.

**Mutual Fund and/or ETF Analysis.** CCP looks at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. CCP also looks at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in another fund(s) in the client's portfolio. CCP also monitors the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy. A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as CCP does not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the client's portfolio.

**Risks for all forms of analysis.** CCP securities analysis methods rely on the assumption that the companies whose securities CCP purchases and sells, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While CCP is alert to indications that data may be incorrect, there is always a risk that CCP's analysis may be compromised by inaccurate or misleading information.

## INVESTMENT STRATEGIES

CCP may use one or any combination of the following strategy(ies) in managing client accounts, provided that such strategy(ies) are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

**Asset Allocation.** Asset allocation is an investment strategy that aims to balance risk and reward by apportioning a portfolio's assets to various asset classes according to an individual's goals, risk tolerance, and investment horizon. Rather than focusing primarily on securities selection or market timing, CCP attempts to identify an appropriate ratio of available asset classes suitable to the client's circumstances. CCP regards asset allocation as one of the most important decisions an investor can make and as the principal determinant of portfolio performance. A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of asset classes will change over time due to stock and market movements and, if not corrected, may no longer be appropriate for the client's goals. Portfolio allocations will be monitored and rebalanced over time as determined by CCP.

**Thematic Exploration Strategies.** CCP believes that the world has entered a new phase of development, with the speed of innovation and change materially increasing. While these innovations will meaningfully change the way people live their lives, they will also impact the future investment landscape. **Thematic Exploration Strategies** will utilize the strategies listed below in an effort to give participants direct exposure to investments that operate in a specific thematic space. These exposures will often involve direct investments in select companies that are early in their business cycle and, therefore, have the potential to produce outsized returns. However, they will also have the potential of failure. The concentrated nature of these strategies means that investors are taking on increased risk in an effort to participate in the potential upside as these investments progress into mainstream adoption. Given this higher risk profile, only select clients will be offered the chance to participate and with limits to the amount of their managed assets that can be invested.

**Long-term purchases.** CCP purchases securities with the idea of holding them in the client's account for a year or longer. Typically CCP employs this strategy when:

- CCP believes the securities and/or asset classes to be currently undervalued, and/or
- CCP wants exposure to a particular asset class over time, regardless of the current projection for this class.

Long-term purchases, otherwise known as "buy-and-hold" strategies, represent the core of CCP's portfolio management philosophy. By definition, this strategy represents a passive investment strategy in which CCP holds various positions for a long period of time, regardless of short-term market fluctuations. For taxable accounts, a buy-and-hold strategy has certain tax benefits because gains from long-term investments tend to be taxed at a lower rate than those of short-term investments. A risk in a long-term purchase strategy is that by holding the security for this length of time, CCP may not take advantage of short-term gains that could be profitable to a client. Moreover, if CCP forecasts are incorrect or if the market experiences high volatility, a security may decline sharply in value before CCP makes the decision to sell.

**Short-term purchases.** When utilizing this strategy, CCP purchases securities with the idea of selling them within a relatively short time (typically a year or less). CCP does this in an attempt to take advantage of conditions that CCP believes will soon result in a price swing in the securities CCP purchases.

**Portfolio rebalancing.** Portfolio rebalancing represents an important risk-control strategy. A portfolio's asset allocation determines the portfolio's risk and return characteristics. The purpose of establishing an asset allocation strategy is to achieve target rates of return with acceptable levels of risk. Asset allocation is a risk management technique that mixes a wide variety of investments within a portfolio (diversification). Due to market fluctuations, a portfolio's allocation will shift over time. To recapture the portfolio's original risk and return characteristics, the portfolio must be rebalanced according to the risk tolerance, time horizon, and financial goals of the individual client. CCP monitors client portfolios carefully and will determine when, or if, rebalancing activities may be necessary. Additional factors CCP will consider when implementing a rebalancing strategy include client preferences, transaction costs, and potential tax implications.

Given these considerations, clients with similar asset allocation strategies may experience different rebalancing strategies.

**Margin transactions.** For certain clients, CCP may purchase securities for the portfolio with money borrowed from the brokerage account. This allows clients to purchase more securities than they would be able to with their available cash, and allows us to purchase securities without selling other holdings. The use of margin involves leverage and special risks. Accordingly, the use of margin requires specific approval on an account-by-account basis. Most clients will not participate in margin related activities.

**Option writing.** For certain clients, CCP may use options as an investment strategy. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset.

The two types of options are calls and puts:

- A call gives the holder the right to buy an asset at a certain price within a specific period of time. CCP will buy a call if CCP has determined that the stock will likely increase substantially before the option expires.
- A put gives the holder the right to sell an asset at a certain price within a specific period of time. CCP will buy a put if CCP has determined that the price of the stock will likely fall before the option expires.

CCP typically does not use options to speculate on the possibility of a sharp price swing. CCP may use options to "hedge" a purchase of the underlying security; in other words, CCP will use an option purchase to limit the potential upside and downside of a security CCP has purchased for client portfolios.

CCP uses "covered calls", in which CCP sells an option on security clients own. In this strategy, clients receive a fee (option premium) for making the option available, and the person purchasing the option has the right to buy the security from the client at an agreed-upon price -for an agreed upon length of time.

CCP may use a "spreading strategy", in which CCP purchases two or more option contracts (for example, a call option that the client buys and a call option that the client sells) for the same underlying security. This effectively

puts the client on both sides of the market, but with the ability to vary price, time and other factors.

The use of options involves leverage and special risks. Accordingly, the use of options requires specific approval on an account-by-account basis. Most clients will not participate in option trading activity.

**Alternative Investments.** Alternative investments, such as global REITs, Private Equity and Hedge Funds, may enhance overall diversification and provide limited protection from unexpected inflation. Alternative asset classes generally have risk and return characteristics that are a hybrid of equity and fixed income characteristics. The underlying funds recommended by CCP may, in turn, invest in a broad range of equities of any market capitalization, including large-, mid and small-cap; and/or a broad range of fixed income securities of any credit quality or maturity, including U.S. Government and agency securities, municipal securities, corporate debt, and debt of foreign issuers including those located in emerging markets. Underlying funds may also invest in real estate, real estate investment trusts (REITs), commodities-related assets, high yield debt securities, 144a (private placement) debt, and they may engage in leveraged or derivative transactions, such as futures, options, swaps, and insurance-linked securities. As such, alternative investments are generally less liquid than other investments and can be harder to value, therefore increasing their risk. CCP has no control over the investment strategies, policies or decisions of the underlying funds' investment managers. CCP's only option would be to liquidate its clients' investments in an underlying fund in the event of dissatisfaction with the fund's manager. In the event that CCP waives billing on an Alternative Investment due to pricing practices, a conflict of interest exists as CCP is incentivized not to recommend that product. Alternative Investments will generally be managed on a non-discretionary basis due to their nature and requirements.

**Risk of Loss.** Securities investments are not guaranteed and clients may lose money on their investments. CCP asks that clients work with us to help us understand their tolerance for risk and update us as their circumstances change over time. Clients should understand that investing in any securities, including mutual funds and exchange traded funds, involves a risk of loss of both income and principal. Risk management disciplines such as asset allocation and portfolio rebalancing do not eliminate the risk of loss of both income and principal.

## Item 9 Disciplinary Information

CCP is required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of CCP's advisory business or the integrity of CCP's management. CCP and its management personnel have no reportable disciplinary events to disclose.

## Item 10 Other Financial Industry Activities and Affiliations

### ***Holding Company Affiliation***

Clearwater Capital Advisors, LLC (DBA Clearwater Capital Partners) is primarily owned by Clearwater Capital Partners, LLC, an Illinois based holding company. This holding company does not provide any services or have any employees. It is owned as described under Item 4.

### ***Bookkeeping and Bill Pay Affiliation***

Certain personnel of CCP are also personnel of Clearwater Capital Accounting Services, LLC (DBA Clearwater Capital Partners), where they provide personal bookkeeping and bill pay services for separate and typical compensation.

No CCP client is obligated to use Clearwater Capital Accounting Services, LLC for any services and, conversely, no client of Clearwater Capital Accounting Services, LLC is obligated to use the advisory services provided by us.

While there is no direct compensation for referral agreement in place, clients should be aware that this relationship creates a conflict of interest, and may affect the recommendations made. Clearwater Capital Accounting Services, LLC is wholly owned by Clearwater Capital Partners, LLC and does business as Clearwater Capital Partners.

### ***Business Consulting Firm Affiliation***

Certain personnel of CCP are also personnel of the consulting firm Clearwater Capital Consulting, LLC (DBA Clearwater Capital Partners), where they provide business consulting and accounting services for separate and typical compensation. These individuals will spend the majority of their time on this practice.

No CCP client is obligated to use Clearwater Capital Consulting, LLC for any services and, conversely, no business consulting client is obligated to use the advisory services provided by us.

While there is no direct compensation for referral agreement in place, clients should be aware that this relationship creates a conflict of interest, and may affect the recommendations made. Clearwater Capital Consulting, LLC is wholly owned by Clearwater Capital Partners, LLC and does business as Clearwater Capital Partners.

### ***Insurance Agency and Agent Affiliation***

Certain employees are also personnel of Clearwater Capital Insurance, LLC an affiliated insurance agency. These management personnel and employees in their individual capacities are agents of Clearwater Capital Insurance, LLC and are appointed with various independent insurance companies. As such, these individuals are able to receive separate, yet customary commission compensation resulting from implementing product transactions on behalf of advisory clients. The agency also has employees that are not also employed by CCP, and who are securities licensed, that provide insurance-based services to clients of CCP and non-clients of CCP. These employees receive customary commission compensation. While there is no direct compensation for referral agreement in place, clients should be aware that the receipt of additional compensation by CCP's management persons or employees creates a conflict of interest and gives these individuals an incentive to recommend insurance and investment products based on the compensation received, rather than on a client's needs. CCP endeavors at all times to put the interest of clients first as part of CCP's fiduciary duty as a registered investment adviser. Clients, however, are not under any obligation to engage these individuals when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client. Clearwater Capital Insurance, LLC is wholly owned by Clearwater Capital Partners, LLC and does business as Clearwater Capital Partners.

### ***Charitable Foundation Affiliation***

The Clearwater Capital Foundation, LLC is a charitable foundation primarily funded by the revenues of CCP and its employees. The foundation is a 501(c)(3) entity and is controlled by a Board of Directors made up of employees of CCP that is focused on supporting causes impacting our firm, team, clients and community. At no time shall any contribution to the Foundation by third parties result in favoritism, bias, special benefit or the like to the donor as it relates to services provided by CCP.

### ***Other Company Affiliations***

Alan Krause, Partner, is an employee of a privately held real estate company. Mr. Krause receives separate, yet customary compensation for his services. While CCP and employees endeavor at all times to put the interest of the clients first as part of CCP's fiduciary duty, clients should be aware that this relationship creates a conflict of interest and may affect the recommendations made.

John Sleeting, Partner and Fixed Income Strategist, is a member of the board of directors of a privately held holding company. Mr. Sleeting receives separate, yet customary compensation for his services. Mr. Sleeting also provides investment advice to companies controlled by the holding company. While CCP and its employees endeavor at all times to put the interest of the clients first as part of the firm's fiduciary duty, clients should be aware that this relationship creates a conflict of interest and may affect the recommendations made.

### ***How CCP addresses all conflicts of interests***

CCP endeavors at all times to put the interest of its clients first as part of its fiduciary duty as a registered investment adviser; CCP takes the following steps to address this conflict:

- ✓ CCP discloses to clients the existence of all material conflicts of interest, including the potential for the firm and its employees to earn compensation from advisory clients in addition to the firm's advisory fees;
- ✓ CCP discloses to clients that they are not obligated to purchase recommended investment products from CCP's employees or affiliated companies;
- ✓ CCP will collect, maintain and document accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance;
- ✓ CCP will require that employees seek prior approval of any outside employment activity so that the firm may ensure that any conflicts of interests in such activities are properly addressed;
- ✓ CCP will periodically monitor these outside employment activities to verify that any conflicts of interest continue to be properly addressed by the firm; and
- ✓ CCP will educate its employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

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

CCP has adopted a Code of Ethics which sets forth high ethical standards of business conduct that CCP requires of employees, including compliance with applicable federal securities laws.

CCP and its personnel owe a duty of loyalty, fairness and good faith towards clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

CCP's Code of Ethics includes policies and procedures for the review of securities transactions reports as well as initial and annual account statements for the firm's access persons. Among other things, CCP's Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. CCP's code also provides for oversight, enforcement and recordkeeping provisions.

CCP's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While CCP does not believe that it has any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of the firm's Code of Ethics is available to advisory clients and prospective clients. You may request a copy by email sent to [general@ccpwealth.com](mailto:general@ccpwealth.com), or by calling us at 847-841-8650.

CCP and individuals associated with the firm are prohibited from engaging in principal transactions.

CCP and individuals associated with the firm are prohibited from engaging in agency cross transactions.

CCP's Code of Ethics is designed to assure that the personal securities transactions, activities and interests of employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

The firm and/or individuals associated with the firm may buy or sell for their personal accounts securities identical to or different from those recommended to clients, provided they follow the firm's written personal trading policies. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.

As these situations represent actual or potential conflicts of interest to clients, CCP has established the following policies and procedures for implementing the firm's Code of Ethics, to ensure the firm complies with its regulatory obligations and provides clients and potential clients with full and fair disclosure of such conflicts of interest:

- ✓ No principal or employee of the firm may put his or her own interest above the interest of an advisory client.
- ✓ No principal or employee of the firm may buy or sell securities for their personal portfolio(s) where their decision is a result of information received as a result of his or her employment unless the information is also available to the investing public.

- ✓ It is the expressed policy of the firm that no person employed by CCP may purchase or sell any reportable security 3 trading days prior to a transaction(s) being implemented for an advisory account and 3 trading days after, with the exception of ETF/ETN securities (the firm will monitor for planned same day trading conflicts regarding ETF/ETNs). This prevents such employees from inappropriately benefiting from transactions placed on behalf of advisory accounts. All such transactions for employee accounts must receive prior approval, and will be tracked to ensure the firm's policies are followed. Employee transactions that are included in block trades alongside clients will not be subject to the trade conflict reviews since average execution pricing will be used.
- ✓ The firm requires prior approval for any IPO or private placement investments by related persons of the firm.
- ✓ CCP maintains a list of all reportable securities holdings for the firm and anyone associated with this advisory practice that has access to advisory recommendations ("access person").
- ✓ CCP has established procedures for the maintenance of all required books and records.
- ✓ All of CCP's principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
- ✓ CCP requires delivery and acknowledgement of the Code of Ethics by each supervised person of the firm.
- ✓ CCP has established policies requiring the reporting of Code of Ethics violations to senior management.
- ✓ Any individual who violates any of the above restrictions may be subject to termination.

As disclosed in the preceding section of this Brochure (Item 10), related persons of the firm are licensed as an insurance agent of various insurance companies. Please refer to Item 10 for a detailed explanation of these relationships and important conflict of interest disclosures.

## **Item 12 Brokerage Practices**

CCP does not have any formal soft-dollar arrangements and does not receive any soft-dollar benefits.

CCP does not maintain actual custody of client assets. Client assets must be maintained in an account at a "qualified custodian," generally a broker-dealer or bank.

CCP recommends that clients establish brokerage accounts with either the Schwab Advisor Services division of Charles Schwab & Co., Inc. (Schwab), a FINRA registered broker-dealer, member SIPC, or LPL Financial, a FINRA registered broker-dealer, member SIPC, (collectively referred to as Custodians) to maintain custody of clients' assets and to effect trades for their accounts based on direction from CCP. The final decision to custody assets with these Custodians is at the discretion of the client, including those accounts under ERISA or IRA rules and regulations, in which case the client is acting as either the plan sponsor or IRA accountholder. CCP is independently owned and operated and not affiliated with either Custodian. Not all advisers require clients to direct it to use a particular broker-dealer

CCP seeks to recommend a custodian/broker who will hold client assets and execute transactions on terms that are overall most advantageous when compared with other available providers and their services. A wide range of factors are considered, including:

- ✓ Combination of transaction execution services along with asset custody services (generally without a separate fee for custody)
- ✓ Capability to execute, clear, and settle trades (buy and sell securities in client accounts)
- ✓ Capabilities to facilitate transfers and payments to and from accounts (wire transfers, check requests, Bill payment, etc.)
- ✓ Breadth of investment products made available (stocks, bonds, mutual funds, exchange-traded funds (ETFs), etc.)
- ✓ Availability of investment research and tools that assist us in making investment decisions
- ✓ Quality of services
- ✓ Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate them

- ✓ Reputation, financial strength, and stability of the provider
- ✓ Their prior service to CCP and the firm's other clients

Schwab provides CCP with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the advisor's clients' assets are maintained in accounts at Schwab Advisor Services. Schwab's services include brokerage services that are related to the execution of securities transactions, custody, research, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment. Schwab's services described in this paragraph generally benefit clients and their accounts.

For CCP client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by through commissions or other transaction-related fees for securities trades that are executed through Schwab or that settle into a client's Schwab accounts. Schwab's Commission rates applicable to client accounts were negotiated based on CCP's commitment to maintain a certain level of clients' assets statement equity in accounts at Schwab. This commitment benefits clients because the overall commission rates they pay are lower than they would be if CCP had not made the commitment. In addition to commissions Schwab charges a flat dollar amount as a "prime broker" or "trade away" fee for each trade that is executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into the client's Schwab account. These fees are in addition to the commissions or other compensation client's pay the executing broker-dealer. Because of this, in order to minimize client trading costs, CCP has Schwab execute most trades for client accounts when they are acting as custodian.

Schwab also makes available to CCP other products and services that benefit the firm but may not directly benefit its clients' accounts. These benefits may include national, regional or firm specific educational events organized and/or sponsored by Schwab Advisor Services. Other potential benefits may include occasional business entertainment of personnel of CCP by Schwab Advisor Services personnel, including meals, invitations to special events and other forms of entertainment, some of which may accompany educational opportunities. Other of these products and services assist CCP in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of CCP's fees from its clients' accounts, and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of CCP's accounts, including accounts not maintained at Schwab Advisor Services. Schwab Advisor Services also makes available to CCP other services intended to help the firm manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, human capital consultants, insurance and marketing. In addition, Schwab may make available, arrange and/or pay vendors for these types of services rendered to CCP by independent third parties. Schwab Advisor Services may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to CCP. While, as a fiduciary, CCP endeavors to act in its clients' best interests, CCP's recommendation that clients maintain their assets in accounts at Schwab may be impacted by the benefit to CCP of the availability of some of the foregoing products and services and other arrangements and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which creates a conflict of interest.

CCP also receives benefits as a result of having clients custody assets and effect trades through LPL Financial which include (provided without cost or at a discount): duplicate client statements and confirmations; research related products and tools; consulting services ; access to a trading desk serving adviser participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain Institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to CCP by third party vendors. LPL Financial may also pay or reimburse expenses (including travel, lodging, and meal expenses) for CCP's personnel to attend conferences or meetings relating to the program or to LPL Financial' s adviser custody and brokerage services generally.

Some of the products and services made available by LPL Financial may benefit CCP but may not directly benefit client accounts. These products or services may assist us in managing and administering client accounts, including accounts not maintained at LPL Financial. Other services made available by LPL Financial are intended to help us manage and further develop CCP's business enterprise. The benefits received by CCP through participation in the program do not depend on the amount of brokerage transactions directed to LPL Financial. Clients should be aware, however, that the receipt of economic benefits by CCP or its related persons in and of itself creates a conflict of interest and may indirectly influence the recommendation of LPL Financial for custody and brokerage services.

As a matter of policy and practice, CCP does not exclusively block client trades and, therefore, CCP often implements client transactions separately for each account. Consequently, certain client trades may be executed before others, at a different price and/or commission rate. If block trades are utilized, each client will receive the average share price and transaction costs will be shared equally and on a pro-rata basis so no client will benefit more than others.

## **Item 13 Review of Accounts**

### **WRAP FEE PROGRAM INDIVIDUAL PORTFOLIO MANAGEMENT**

**REVIEWS:** While the underlying securities within the Program accounts are continually monitored, these accounts are reviewed periodically. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment. Automated position and/or security target tolerance reports may also be utilized to trigger a manual review.

Accounts are reviewed periodically by the advisor of record for each client relationship. At the time of these periodic reviews, the advisor of record may or may not direct that specific accounts be further reviewed by the John E. Chapman as the Chief Investment Strategist or by members of the firm's Investment Policy Committee.

Supervisory review of accounts are performed by John E. Chapman, or his delegate, on a periodic basis.

**REPORTS:** In addition to the monthly statements and confirmations of transactions that clients receive from their broker-dealer, CCP periodically provides additional reports summarizing account performance, balances and holdings as part of CCP's regular client review process.

### **NON-WRAP FEE PROGRAM INDIVIDUAL PORTFOLIO MANAGEMENT**

**REVIEWS:** While the underlying securities within Individual Portfolio Management Services accounts are continually monitored, these accounts are reviewed periodically. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment. Automated position and/or security target tolerance reports may also be utilized to trigger a manual review.

Accounts are reviewed periodically by the advisor of record for each client relationship. At the time of these periodic reviews, the advisor of record may or may not direct that specific accounts be further reviewed by the John E. Chapman as the Chief Investment Strategist or by members of the firm's Investment Policy Committee.

Supervisory review of accounts are performed by John E. Chapman, or his delegate, on a periodic basis.

**REPORTS:** In addition to the monthly statements and confirmations of transactions that clients receive from their broker-dealer, CCP periodically provides additional reports summarizing account performance, balances and holdings as part of CCP's regular client review process.

### **RETIREMENT PLAN ADVISING SERVICES**

**REVIEWS:** CCP will review the client's Investment Menu on an ongoing basis, in addition to whenever the client advises us of a change in circumstances regarding the needs of the plan. CCP will also review the investment menu of the plan according to the agreed upon time intervals established with the client. Such reviews will



generally occur several times a year.

Accounts are reviewed periodically by the advisor of record for each client relationship, or their delegate. The advisor of record may or may not direct that specific plans be further reviewed by John E. Chapman as the Chief Investment Strategist or by members of the firm's Investment Policy Committee.

**REPORTS:** These client accounts will receive reports as contracted for at the inception of the advisory relationship.

### ***Participant Managed Strategies***

**REVIEWS:** CCP will review the client's Investment Strategy and available Menu on an ongoing basis, in addition to whenever the client advises us of a change in circumstances.

Accounts are reviewed periodically by the advisor of record for each client relationship, or their delegate. The advisor of record may or may not direct that specific plans be further reviewed by John E. Chapman as the Chief Investment Strategist or by members of the firm's Investment Policy Committee.

**REPORTS:** In addition to the monthly statements and confirmations of transactions that clients receive from their plan record keeper, CCP periodically provides additional reports summarizing account performance, balances and holdings as part of CCP's regular client review process.

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

Clearwater Capital Partners, as a matter of policy and practice, may compensate persons, i.e., individuals or entities, for the referral of advisory clients to the firm provided appropriate disclosures and regulatory requirements are met.

In the course of providing advice to clients, CCP employees may make referrals to other professional service providers, such as attorneys and accountants. CCP bases those referrals on client circumstances, past experiences, and personal knowledge of the provider and are provided in good faith. However, CCP is not responsible for services provided by a third party referred by CCP employees. Clients should be aware that some services professionals referred by CCP also refer clients to CCP. While no formal referral relationship exists, and CCP receives no direct compensation for referrals to third parties, this presents a conflict of interest when determining which service provider a CCP employee recommends. Clients are not required to use service providers referred by CCP.

CCP reserves the right to pay for accounting fees charged in relation to a referral of an advisory client to an accountant at its discretion.

CCP receives an economic benefit from Schwab and LPL Financial in the form of the support products and services it makes available to the firm and other independent investment advisors that have their clients maintain accounts there. These products and services, how they benefit CCP, and the related conflicts of interest are described above (see Item 12 – Brokerage Practices). The availability of the Custodian's products and services to CCP is not based on giving particular investment advice, such as buying particular securities for clients.

## **Item 15 Custody**

Under government regulations, CCP is deemed to have custody of client assets if clients authorize CCP to instruct the Custodian to deduct CCP's advisory fees directly from client accounts and for facilitating withdrawals to 3<sup>rd</sup> party recipients (including wire transfers). The Custodian maintains actual custody of client assets. CCP previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that the firm directly debits advisory fees from client accounts.

As part of this billing process, LPL calculates the amount of the fee to be deducted from that client's account(s) on the LPL platform, while CCP calculates the amount of the fee to be deducted from that client's account for accounts on the Schwab platform and provides it to Schwab for processing. On at least a quarterly basis, the Custodian is required to send to the client a statement showing all transactions within the account during the reporting period.

It is important for clients to carefully review their custodial statements to verify the accuracy of the fee calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

In addition to the periodic statements that clients receive directly from their custodians, CCP also provides

performance and holding statements directly to clients as part of regular client communications. CCP urges clients to carefully compare the information provided on these statements to ensure that all account transactions, holdings and values are correct and current.

## **Item 16 Investment Discretion**

Clients may hire us to provide discretionary asset management services, in which case CCP places trades in a client's account without contacting the client prior to each trade to obtain the client's permission.

CCP's discretionary authority includes the ability to do the following without contacting the client:

- determine the security to buy or sell; and/or
- determine the amount of the security to buy or sell; and/or
- determine when to buy or sell the security

Clients give CCP discretionary authority when they sign a discretionary agreement with the firm, and may limit this authority by giving CCP written instructions. Clients may also change/amend such limitations by once again providing CCP with written instructions. Certain Alternative Investments will be recommended on a non-discretionary basis due to their nature and requirements.

CCP may also provide non-securities advice on topics that may include, but are not limited to, business consulting, retirement, insurance, estate, budgetary, education/goal planning, personal and business tax planning in collaboration with a client's accountant and/or attorney. Clients, however, are not under any obligation to engage CCP when considering implementation of these advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client.

## **Item 17 Voting Client Securities**

As a matter of firm policy, CCP does not vote proxies on behalf of clients. Therefore, although the firm may provide investment advisory services relative to client investment assets, clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients will generally directly receive copies of all proxies and shareholder communications relating to the client's investment assets. In certain circumstances a custodian may require that proxies and shareholder communications be sent to CCP. Clients should be aware the CCP will not take action on these communications. CCP will forward these communications to the client upon client request. CCP may provide clients with consulting assistance regarding proxy issues if they contact us with questions at CCP's principal place of business.

## **Item 18 Financial Information**

As an advisory firm that maintains discretionary authority for client accounts, CCP is required to disclose any financial condition that is reasonably likely to impair the firm's ability to meet contractual obligations. CCP has no additional financial circumstances to report. Under no circumstances does CCP require or solicit payment of fees in excess of \$1200 per client more than six months in advance of services rendered. Therefore, CCP is not required to include a financial statement. CCP has not been the subject of a bankruptcy petition at any time during the past ten years.



**Part 2B of Form ADV: *Brochure Supplement***

**John E Chapman, Managing Partner,  
Chief Executive Officer,  
Chief Investment Strategist**

2800 W. Higgins Road  
Suite 1025  
Hoffman Estates, IL 60169  
(847)841-8650

**Clearwater Capital Partners**

2800 W. Higgins Road  
Suite 1025  
Hoffman Estates, IL 60169

03/27/2024

This brochure supplement provides information about John Chapman that supplements the Clearwater Capital Partners brochure. You should have received a copy of that brochure. Please contact Jeffrey P. DeHaan at 847-841-8650 if you did not receive Clearwater Capital Partners' brochure or if you have any questions about the contents of this supplement.

Additional information about John Chapman is available on the SEC's website: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 Educational Background and Business Experience

**Full Legal Name:** John E Chapman

**Born:** 1962

**Education:** University of Illinois; Bachelor of Science, Finance; 1984

### Business Experience

- Clearwater Capital Partners (Formerly BSC Private Wealth Management, LLC); Managing Partner - Chief Executive Officer - Chief Investment Strategist; from 03/2006 to Present
- Clearwater Capital Insurance Services, LLC (Formerly BSC Insurance Services, LLC); Managing Partner; from 12/2009 to Present
- RBC Dain Rauscher; Managing Director - Senior Vice President; from 05/2003 to 10/2005
- Wachovia Securities; Senior Vice President - Director of Professional Development; from 06/1996 to 05/2003
- Chase Manhattan Investment Services, In.; National Sales Manager; from 05/1992 to 06/1996
- Prudential Securities, Inc.; Vice President; from 12/1987 to 05/1992
- Merrill Lynch; Account Executive; from 05/1984 to 12/1987

### Designations

John E Chapman does not currently have any active designations.

## Item 3 Disciplinary Information

John E Chapman has no reportable disciplinary history.

## Item 4 Other Business Activities

### A. Investment-Related Activities

John E Chapman is also engaged in the following investment-related activities:

#### Insurance company or agency

John E Chapman is the Managing Partner of Clearwater Capital Insurance Services, LLC. This presents a conflict of interest to the extent that an insurance client purchases an insurance product recommended by Mr. Chapman which results in an insurance commission being paid to a company he is affiliated with. Mr. Chapman spends less than five percent of his time functioning this capacity and does not receive insurance commissions related to his advisory client services.

### B. Non Investment-Related Activities

John E. Chapman is an active member of the Harper College Educational Foundation. In this capacity, Mr. Chapman works alongside other community leaders to manage the organization. Mr. Chapman does not receive compensation associated with this activity. This activity takes up less than 5% of Mr. Chapman's time.

John E. Chapman serves on the Board of Directors of the Clearwater Capital Foundation. In this capacity, Mr. Chapman works alongside the Foundation's Board of Directors to support select charitable organizations and community programs. Mr. Chapman does not receive compensation associated with this activity. This activity takes up less than 5% of Mr. Chapman's time.

John E. Chapman is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of his or her time.

#### **Item 5 Additional Compensation**

John E. Chapman does not receive any economic benefit from a non-advisory client for the provision of advisory services.

#### **Item 6 Supervision**

As Chief Executive Officer and Chief Investment Strategist of Clearwater Capital Partners, John E. Chapman has supervisory responsibilities for all aspects of the firm. Jeffrey P DeHaan, Chief Compliance Officer, will be responsible for monitoring Mr. Chapman's compliance with all applicable policies, procedures and laws.

**Supervisor:** Jeffrey P DeHaan  
**Title:** Partner, Chief Compliance Officer  
**Phone Number:** (847)841-8650



**Part 2B of Form ADV: *Brochure Supplement***

**John W. Sleeting**  
**Managing Partner – Family Office Services**  
**Executive Partner**

2800 W. Higgins Road  
Suite 1025  
Hoffman Estates, IL 60169  
(847)841-8650

**Clearwater Capital Partners**

2800 W. Higgins Road  
Suite 1025  
Hoffman Estates, IL 60169

07/09/2024

This brochure supplement provides information about John W Sleeting that supplements the Clearwater Capital Partners brochure. You should have received a copy of that brochure. Please contact Jeffrey P. DeHaan at 847-841-8650 if you did not receive Clearwater Capital Partners' brochure or if you have any questions about the contents of this supplement.

Additional information about John W. Sleeting is available on the SEC's website: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 Educational Background and Business Experience

**Full Legal Name:** John W Sleeting

**Born:** 1968

### Education

- University of Maryland; M.B.A., Finance; 1995
- United States Coast Guard Academy; B.S. , Management; 1990

### Business Experience

- Clearwater Capital Partners; Managing Partner – Family Office Services; from 01/2024 to Present
- Clearwater Capital Partners; Executive Partner; from 11/2021 to Present
- Clearwater Capital Partners; Senior Partner - Fixed Income Strategist; from 01/2020 to 11/2021
- Clearwater Capital Partners (Formerly BSC Private Wealth Management, LLC); Partner - Fixed Income Strategist; from 03/2009 to 01/2020
- GE Capital; S.V.P. Financial Structuring, Strategy & Operations; from 03/2005 to 02/2009
- Motorola; Director Finance & Pricing; from 01/2001 to 03/2005
- GE Capital; V.P. Finance & Risk Management; from 03/1997 to 01/2001
- United States Coast Guard; Budget Officer; from 06/1995 to 03/1997
- United States Coast Guard; Graduate School; from 06/1994 to 06/1995
- United States Coast Guard; Planning Analyst; from 06/1992 to 06/1994
- United States Coast Guard; Operations Officer; from 06/1990 to 06/1992

### Designations

John W Sleeting does not currently have any active designations.

## Item 3 Disciplinary Information

John W Sleeting has no reportable disciplinary history.

## Item 4 Other Business Activities

### A. Investment-Related Activities

John W. Sleeting is not engaged in any other investment-related business or occupation that provides substantial compensation or involves a substantial amount of his time.

### B. Non Investment-Related Activities

John W. Sleeting is the sole member of 1435 Partners, LLC through which he provides services to the Cox Family Holding (CFH) Company. In this role, Mr. Sleeting Chairs the Governance Board. Mr. Sleeting receives nominal compensation associated with this activity, which amounts to less than 3% of his annual compensation. This activity takes up less than 5% of Mr. Sleeting's time.

John W. Sleeting is an active member of the Board of Directors of the Clearwater Capital Foundation, the Orsini Charitable Foundation, the First Fruits Family Foundation, and the My Well Ministry. In these capacities, Mr. Sleeting works alongside the other board members to advocate for these non-profit organizations in fulfilling their mission. Mr. Sleeting does not receive compensation associated with these activities. These activities take up less than 5% of Mr. Sleeting's time.

John W. Sleeting is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of his or her time.

#### **Item 5 Additional Compensation**

John W. Sleeting does not receive any economic benefit from a non-advisory client for the provision of advisory services.

#### **Item 6 Supervision**

As the Chief Executive Officer, and Chief Investment Strategist of Clearwater Capital Partners, John E. Chapman has supervisory responsibilities for all aspects of the firm. Jeffrey P. DeHaan, Chief Compliance Officer, will be responsible for monitoring Mr. Sleeting's compliance with all applicable policies, procedures and laws.

<b>Supervisor:</b>	John E. Chapman
<b>Title:</b>	Chief Executive Officer, Chief Investment Strategist
<b>Phone Number:</b>	(847) 841-8650
<b>Supervisor:</b>	Jeffrey P. DeHaan
<b>Title:</b>	Chief Compliance Officer
<b>Phone Number:</b>	(847) 841-8650





**Part 2B of Form ADV: *Brochure Supplement***

**Jeffrey P DeHaan  
Partner – Senior Wealth Advisor  
Chief Compliance Officer**

2800 W. Higgins Road  
Suite 2015  
Hoffman Estates, IL 60169  
(847)841-8650

**Clearwater Capital Partners**

2800 W. Higgins Road  
Suite 1025  
Hoffman Estates, IL 60169

03/27/2024

This brochure supplement provides information about Jeffrey P DeHaan that supplements the Clearwater Capital Partners brochure. You should have received a copy of that brochure. Please contact John E. Chapman at 847-841-8650 if you did not receive Clearwater Capital Partners' brochure or if you have any questions about the contents of this supplement.

Additional information about Jeffrey P DeHaan is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

## Item 2 Educational Background and Business Experience

**Full Legal Name:** Jeffrey P DeHaan      **Born:** 1986

### Education

- University of Illinois Urbana-Champaign; Bachelor of Science, Finance; 2009
- University of Illinois Urbana-Champaign; Bachelor of Science, Business Administration: Marketing; 2009

### Business Experience

- Clearwater Capital Partners (Formerly BSC Private Wealth Management, LLC); Partner; from 7/1/2018 to Present
- Clearwater Capital Partners (Formerly BSC Private Wealth Management, LLC); Chief Compliance Officer; from 3/15/2013 to Present
- Clearwater Capital Partners (Formerly BSC Private Wealth Management, LLC); Senior Wealth Advisor; from 3/15/2013 to 7/1/2018
- Clearwater Capital Partners (Formerly BSC Private Wealth Management, LLC); Financial Advisor; from 1/4/2010 to 3/15/2013
- Clearwater Capital Partners (Formerly BSC Private Wealth Management, LLC); Intern; from 6/1/2008 to 1/4/2010

### Designations

Jeffrey P DeHaan has earned the following designation(s) and is in good standing with the granting authority:

- CERTIFIED FINANCIAL PLANNER™ (CFP®); Certified Financial Planner Board of Standards, Inc.; 2014

The program is administered by the Certified Financial Planner Board of Standards Inc. Those with the CFP® designation have demonstrated competency in all areas of finance related to financial planning. Candidates complete studies on over 100 topics, including stocks, bonds, taxes, insurance, retirement planning and estate planning. In addition to passing the CFP® certification exam, candidates must also complete qualifying work experience, agree to adhere to the CFP Board's code of ethics and professional responsibility and financial planning standards and complete 30 hours of continuing education every two years.

- Certified Divorce Financial Analyst® (CDFA™); Institute for Divorce Financial Analysts (IDFA™); 2021

To receive authorization to use the designation of Certified Divorce Financial Analyst (CDFA™), a candidate must develop their theoretical and practical understanding and knowledge of the financial aspects of divorce by completing a comprehensive course of study approved by the Institute for Divorce Financial Analysts (IDFA™). CDFATM practitioners must pass a four-part Certification Examination that tests their understanding and knowledge of the financial aspects of divorce. In addition, the practitioner must demonstrate the practical application of this knowledge in the divorce process. CDFATM professionals must have two years minimum experience in a financial or legal capacity prior to earning the right to use the CDFATM certification mark. As a final step to

certification, CDFA™ practitioners agree to abide by a strict code of professional conduct known as the IDFA™ Code of Ethics and Professional Responsibility, which sets forth their ethical responsibilities to the public, clients, employers and other professionals. The IDFA™ may perform a background check during this process and each candidate for CDFA™ certification must disclose any investigations or legal proceedings relating to his or her professional or business conduct. Once certified, CDFA™ practitioners are required to maintain technical competence and fulfill ethical obligations. Every two years, they must complete a minimum of twenty (20) hours of continuing education, ten (10) of which are specifically related to the field of divorce. In addition, to the biennial continuing education requirement, all CDFA™ practitioners must voluntarily disclose any public, civil, criminal or disciplinary actions that may have been taken against them during the past two years as part of the renewal process.

- Accredited Investment Fiduciary® (AIF®); Center for Fiduciary Studies; 2012

The AIF® designation certifies that the recipient has specialized knowledge of fiduciary standards of care and their application to the investment process. To receive the AIF® designation, individuals must complete a training program, successfully pass a comprehensive, closed-book final examination under the supervision of a proctor and agree to abide by the AIF® Code of Ethics. In order to maintain the AIF® designation, the individual must annually renew their affirmation of the AIF® Code of Ethics and complete six hours of continuing education credits. The certification is administered by the Center for Fiduciary Studies, LLC.

- Accredited Wealth Management Advisor<sup>SM</sup> (AWMA®); College for Financial Planning; 2008

The College for Financial Planning® awards the Accredited Wealth Management Advisor<sup>SM</sup> and AWMA® designation to individuals who successfully obtain advanced, yet practical knowledge about these critical aspects of the financial services industry: asset management, allocation, and selection; investment performance and strategies; and taxation of investment products. The coursework also includes training in investment for retirement, strategies for small business owners, and the management of deferred compensation plans. In addition, instruction will cover insurance, estate planning, asset protection, and tax reduction issues. Additionally, designees must comply with the Code of Ethics, which includes agreeing to abide by the Standards of Professional Conduct and Terms and Conditions.

Continued use of the AWMA® designation is subject to ongoing renewal requirements. Every two years individuals must renew their right to continue using the AWMA® designation by: completing 16 hours of continuing education; reaffirming to abide by the Standards of Professional Conduct, Terms and Conditions, and self disclose any criminal, civil, self-regulatory organization, or governmental agency inquiry, investigation, or proceeding relating to their professional or business conduct.

### **Item 3 Disciplinary Information**

Jeffrey P DeHaan has no reportable disciplinary history.

## Item 4 Other Business Activities

### A. Investment-Related Activities

Jeffrey P DeHaan is not engaged in any other investment-related business or occupation that provides substantial compensation or involves a substantial amount of his time.

### B. Non Investment-Related Activities

Jeffrey P. DeHaan is a member of the Board of Directors of the Community Foundation for McHenry County. In this capacity, Mr. DeHaan volunteers alongside other community leaders in an effort to connect people who care with causes that matter in McHenry County.

Jeffrey P. DeHaan is a member of the Board of Directors of Leadership Greater McHenry County, serving as the Co-Chair of the Curriculum Committee. In this capacity, Mr. DeHaan volunteers alongside other community leaders in an effort to connect, educate and inspire leaders to engage in the community.

Jeffrey P. DeHaan is a member of the Board of Directors of Crime Stoppers for McHenry County, and acts as the organization's Treasurer. In this capacity, Mr. DeHaan volunteers alongside other community leaders to further the organization's mission of making the community safer by partnering with law enforcement to solicit and reward anonymous tips that prevent, stop and solve crime. Mr. DeHaan does not have signatory power over organization assets.

Jeffrey P. DeHaan is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of his time.

## Item 5 Additional Compensation

Jeffrey P DeHaan does not receive any economic benefit from a non-advisory client for the provision of advisory services.

## Item 6 Supervision

As the Chief Executive Officer, and Chief Investment Strategist of Clearwater Capital Partners, John E. Chapman has supervisory responsibilities for all aspects of the firm.

**Supervisor:** John E. Chapman  
**Title:** Chief Executive Officer, Chief Investment Strategist  
**Phone Number:** (847)841-8650



**Part 2B of Form ADV: *Brochure Supplement***

**Tyler J Beachler  
Partner  
Deputy Chief Investment Strategist**

2800 W. Higgins Road  
Suite 1025  
Hoffman Estates, IL 60169  
(847)841-8650

**Clearwater Capital Partners**

2800 W. Higgins Road  
Suite 1025  
Hoffman Estates, IL 60169

03/27/2024

This brochure supplement provides information about Tyler J Beachler that supplements the Clearwater Capital Partners brochure. You should have received a copy of that brochure. Please contact Jeffrey P. DeHaan at 847-841-8650 if you did not receive Clearwater Capital Partners' brochure or if you have any questions about the contents of this supplement.

Additional information about Tyler J Beachler is available on the SEC's website: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 Educational Background and Business Experience

**Full Legal Name:** Tyler J Beachler

**Born:** 1990

### Education

- Taylor University; Bachelor of Science, Finance; 2012

### Business Experience

- Clearwater Capital Partners (Formerly BSC Private Wealth Management, LLC); Partner; from 01/01/2023 to Present
- Clearwater Capital Partners (Formerly BSC Private Wealth Management, LLC); Deputy Chief Investment Strategist; from 01/01/2022 to Present
- Clearwater Capital Partners (Formerly BSC Private Wealth Management, LLC); Director of Portfolio Management; from 02/01/2019 to 02/17/2023
- Clearwater Capital Partners (Formerly BSC Private Wealth Management, LLC); Senior Analyst; from 07/01/2016 to 02/01/2019
- Clearwater Capital Partners (Formerly BSC Private Wealth Management, LLC); Operations Manager; from 07/01/2016 to 02/01/2019
- Clearwater Capital Partners (Formerly BSC Private Wealth Management, LLC); Operations Analyst; from 07/02/2012 to 07/01/2016
- LPL Financial; Licensed Admin; from 07/02/2012 to 02/20/2018
- Guillaume & Freckman, Inc; Intern; from 06/2011 to 08/2011
- Taylor University; Student; from 09/2008 to 05/2012
- Westminster Presbyterian Church; Custodian; from 06/2009 to 02/2010

### Designations

Tyler J. Beachler has earned the following designation(s) and is in good standing with the granting authority:

- Chartered Financial Analyst® (CFA®); CFA Institute; 2021

This designation is offered by the CFA Institute (formerly the Association for Investment Management and Research [AIMR]). To obtain the CFA® charter, candidates must successfully complete three exams and gain at least three (3) years of qualifying work experience, among other requirements. In passing these exams, candidates demonstrate their competence, integrity and extensive knowledge in accounting, ethical and professional standards, economics, portfolio management and security analysis.

## Item 3 Disciplinary Information

Tyler J Beachler has no reportable disciplinary history.

## Item 4 Other Business Activities

### A. Investment-Related Activities

Tyler J Beachler is not engaged in any other business or occupation that provides

substantial compensation or involves a substantial amount of his time.

**B. Non Investment-Related Activities**

Tyler J Beachler is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of his or her time.

**Item 5 Additional Compensation**

Tyler J Beachler does not receive any economic benefit from a non-advisory client for the provision of advisory services.

**Item 6 Supervision**

As the Chief Executive Officer, and Chief Investment Strategist of Clearwater Capital Partners, John E. Chapman has supervisory responsibilities for all aspects of the firm. Jeffrey P DeHaan, Chief Compliance Officer, will be responsible for monitoring Mr. Beachler's compliance with all applicable policies, procedures and laws.

**Supervisor:** John E. Chapman  
**Title:** Chief Executive Officer, Chief Investment Strategist  
**Phone Number:** (847) 841-8650

**Supervisor:** Jeffrey P. DeHaan  
**Title:** Chief Compliance Officer  
**Phone Number:** (847) 841-8650



**Part 2B of Form ADV: *Brochure Supplement***

**Kevin G Carani  
Director – Retirement Plan Services**

2800 W. Higgins Road  
Suite 1025  
Hoffman Estates, IL 60169  
(847)841-8650

**Clearwater Capital Partners**

2800 W. Higgins Road  
Suite 1025  
Hoffman Estates, IL 60169

03/27/2024

This brochure supplement provides information about Kevin G Carani that supplements the Clearwater Capital Partners brochure. You should have received a copy of that brochure. Please contact Jeffrey P. DeHaan at 847-841-8650 if you did not receive Clearwater Capital Partners' brochure or if you have any questions about the contents of this supplement.

Additional information about Kevin G Carani is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)



## Item 2 Educational Background and Business Experience

**Full Legal Name:** Kevin G Carani

**Born:** 1962

### Education

- Northern Illinois University; MBA; 1998
- Bradley University; Bachelor of Science, Finance; 1984

### Business Experience

- Clearwater Capital Partners (Formerly BSC Private Wealth Management, LLC); Director – Retirement Plan Services; from 11/10/2014 to Present
- West Suburban Bank; Director Consumer Lending ; from 03/2009 to 10/2014
- Shamrock Bancorp; President, Owner; from 01/1995 to 02/2009

### Designations

Kevin G Carani has earned the following designation(s) and is in good standing with the granting authority:

- Accredited Investment Fiduciary™ (AIF®); Center for Fiduciary Studies; 2014

The AIF® designation certifies that the recipient has specialized knowledge of fiduciary standards of care and their application to the investment process. To receive the AIF® designation, individuals must complete a training program, successfully pass a comprehensive, closed-book final examination under the supervision of a proctor and agree to abide by the AIF® Code of Ethics. In order to maintain the AIF® designation, the individual must annually renew their affirmation of the AIF® Code of Ethics and complete six hours of continuing education credits. The certification is administered by the Center for Fiduciary Studies, LLC.

- Chartered Retirement Plans Specialist<sup>sm</sup> (CRPS®); College for Financial Planning; 2015

Individuals who hold the CRPS® designation have completed a course of study encompassing design, installation, maintenance and administration of retirement plans. Additionally, individuals must pass an end-of-course examination that tests their ability to synthesize complex concepts and apply theoretical concepts to real-life situations. All designees have agreed to adhere to Standards of Professional Conduct and are subject to a disciplinary process. Designees renew their designation every two-years by completing 16 hours of continuing education, reaffirming adherence to the Standards of Professional Conduct and complying with self-disclosure requirements.

## Item 3 Disciplinary Information

Kevin G Carani has no reportable disciplinary history.

## Item 4 Other Business Activities

### A. Investment-Related Activities

1. Kevin G Carani is not engaged in any other investment-related activities.
2. Kevin G Carani does not receive commissions, bonuses or other compensation

on the sale of securities or other investment products.

## **B. Non Investment-Related Activities**

Kevin G. Carani is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of his time.

### **Item 5 Additional Compensation**

Kevin G Carani does not receive any economic benefit from a non-advisory client for the provision of advisory services.

### **Item 6 Supervision**

As the Chief Executive Officer, and Chief Investment Strategist of Clearwater Capital Partners, John E. Chapman has supervisory responsibilities for all aspects of the firm. Jeffrey P DeHaan, Chief Compliance Officer, will be responsible for monitoring Mr. Carani's compliance with all applicable policies, procedures and laws.

**Supervisor:** John E. Chapman  
**Title:** Chief Executive Officer, Chief Investment Strategist  
**Phone Number:** (847) 841-8650

**Supervisor:** Jeffrey P. DeHaan  
**Title:** Chief Compliance Officer  
**Phone Number:** (847) 841-8650



**Part 2B of Form ADV: *Brochure Supplement***

**Gregory W Davis**

**Partner - Senior Wealth Advisor**

2800 W. Higgins Road  
Suite 1025  
Hoffman Estates, IL 60169  
(847)841-8650

**Clearwater Capital Partners**

2800 W. Higgins Road  
Suite 1025  
Hoffman Estates, IL 60169

03/27/2024

This brochure supplement provides information about Gregory W Davis that supplements the Clearwater Capital Partners brochure. You should have received a copy of that brochure. Please contact Jeffrey P. DeHaan at 847-841-8650 if you did not receive Clearwater Capital Partners' brochure or if you have any questions about the contents of this supplement.

Additional information about Gregory W Davis is available on the SEC's website: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 Educational Background and Business Experience

**Full Legal Name:** Gregory W Davis

**Born:** 1965

### Education

- DePaul University; MBA, Finance; 1994
- University of Illinois Urbana-Champaign; B.S., Finance; 1987

### Business Experience

- Clearwater Capital Partners (formerly BSC Private Wealth Management, LLC); Partner-Senior Wealth Advisor; from 1/2020 to Present
- Clearwater Capital Partners (formerly BSC Private Wealth Management, LLC); Director, Senior Wealth Advisor; from 9/2015 to 1/2020
- BMO Private Bank; Director - Wealth Advisor; from 04/2006 to 08/2015
- JPMorgan Private Client Services; Wealth Advisor; from 05/2000 to 04/2006
- First Chicago/NBD-Bank One; Senior Foreign Exchange Trader; from 10/1989 to 05/2000

### Designations

Gregory W Davis has earned the following designation(s) and is in good standing with the granting authority:

- CERTIFIED FINANCIAL PLANNER™; Certified Financial Planner Board of Standards, Inc.; 2003

The program is administered by the Certified Financial Planner Board of Standards Inc. Those with the CFP® designation have demonstrated competency in all areas of finance related to financial planning. Candidates complete studies on over 100 topics, including stocks, bonds, taxes, insurance, retirement planning and estate planning. In addition to passing the CFP® certification exam, candidates must also complete qualifying work experience, agree to adhere to the CFP Board's code of ethics and professional responsibility and financial planning standards and complete 30 hours of continuing education every two years.

- Certified Trust and Financial Advisor; Institute of Certified Bankers; 2002

The program is administered by the Institute of Certified Bankers, a subsidiary of the American Bankers Association. Those with the CFTA designation have met the Association's Professional Experience and Education requirements, have provided a letter of recommendation from their manager attesting to their qualification for certification, have signed the Institute of Certified Banker's Professional Code of Ethics statement. Candidates must also pass an exam covering areas of knowledge that include fiduciary and trust activities, financial planning, tax law and planning, and investment management. Candidates must complete 45 continuing education credits every three years.

## Item 3 Disciplinary Information

Gregory W Davis has no reportable disciplinary history.

## **Item 4 Other Business Activities**

### **A. Investment-Related Activities**

Gregory W Davis is also engaged in the following investment-related activities:

#### **Insurance company or agency**

Gregory W Davis is a licensed insurance agent appointed with numerous insurance companies. In such a capacity he may offer insurance products and receive customary insurance commission as a result of insurance transactions related to these activities. This presents a conflict of interest to the extent that an insurance client purchases an insurance product recommended by Mr. Davis which results in an insurance commission being paid to Clearwater Capital Insurance Services, LLC. Mr. Davis spends less than five percent of his time functioning in an insurance capacity and does not receive insurance commissions related to his advisory client services.

### **B. Non Investment-Related Activities**

Gregory W Davis is a Partner of Moabo Stables, LLC, which owns and manages thoroughbred race horses. Mr. Davis spends less than 5% of his time on average with this activity, and receives nominal compensation, which amounts to less than 1% of his annual compensation.

Gregory W Davis is a member of the Board of Directors for the Northwest Suburban Estate Planning Council and acts as the co-President of the Board of Trustees. In this capacity, Mr. Davis works alongside other volunteers to promote awareness of estate planning services provided by members, and to enhance the quality of those services by encouraging members to maintain the highest possible professional and ethical standards. Mr. Davis does not receive compensation associated with this activity. This activity takes up less than 5% of Mr. Davis' time.

Gregory W Davis is a member of the Board of Directors and acts as Business Development Chairman for Bridge Youth and Family Services. In this capacity, Mr. Davis works alongside other volunteers to promote the organizations goal of providing comprehensive counseling and therapy services to children and families facing emotional or behavioral problems. Mr. Davis does not receive compensation associated with this activity. This activity takes up less than 5% of Mr. Davis' time.

Gregory W Davis is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of his or her time.

## **Item 5 Additional Compensation**

Gregory W Davis does not receive any economic benefit from a non-advisory client for the provision of advisory services.

## Item 6 Supervision

As the Chief Executive Officer, and Chief Investment Strategist of Clearwater Capital Partners, John E. Chapman has supervisory responsibilities for all aspects of the firm. Jeffrey P DeHaan, Chief Compliance Officer, will be responsible for monitoring Mr. Davis' compliance with all applicable policies, procedures and laws.

**Supervisor:** John E. Chapman  
**Title:** CEO, Chief Investment Strategist  
**Phone Number:** (847) 841-8650

**Supervisor:** Jeffrey P. DeHaan  
**Title:** Chief Compliance Officer  
**Phone Number:** (847) 841-8650



**Part 2B of Form ADV: *Brochure Supplement***

**James F Chapman  
Senior Wealth Advisor  
Chief Innovation Officer**

2800 W. Higgins Road  
Suite 1025  
Hoffman Estates, IL 60169  
(847)841-8650

**Clearwater Capital Partners**

2800 W. Higgins Road  
Suite 1025  
Hoffman Estates, IL 60169

03/27/2024

This brochure supplement provides information about James F Chapman that supplements the Clearwater Capital Partners brochure. You should have received a copy of that brochure. Please contact Jeffrey P DeHaan at 847-841-8650 if you did not receive Clearwater Capital Partners' brochure or if you have any questions about the contents of this supplement.

Additional information about James F Chapman is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

## Item 2 Educational Background and Business Experience

**Full Legal Name:** James F Chapman      **Born:** 1994

### Education

- Illinois State University; Bachelor of Science, Finance; 2016

### Business Experience

- Clearwater Capital Partners; Senior Wealth Advisor; from 03/01/2024 to Present
- Clearwater Capital Partners (Formerly BSC Private Wealth Management, LLC); Chief Innovation Officer; from 6/01/2016 to Present
- Clearwater Capital Partners; Wealth Advisor; from 6/01/2016 to 03/01/2024
- Clearwater Capital Partners (Formerly BSC Private Wealth Management, LLC); Business Development Analyst; from 6/01/2010 to 6/01/2016

### Designations

James F Chapman has earned the following designation(s) and is in good standing with the granting authority:

- Accredited Wealth Management Advisor (AWMA®); College for Financial Planning; 2015

The College for Financial Planning® awards the Accredited Wealth Management Advisor<sup>SM</sup> and AWMA® designation to individuals who successfully obtain advanced, yet practical knowledge about these critical aspects of the financial services industry: asset management, allocation, and selection; investment performance and strategies; and taxation of investment products. The coursework also includes training in investment for retirement, strategies for small business owners, and the management of deferred compensation plans. In addition, instruction will cover insurance, estate planning, asset protection, and tax reduction issues. Additionally, designees must comply with the Code of Ethics, which includes agreeing to abide by the Standards of Professional Conduct and Terms and Conditions.

Continued use of the AWMA® designation is subject to ongoing renewal requirements. Every two years individuals must renew their right to continue using the AWMA® designation by: completing 16 hours of continuing education; reaffirming to abide by the Standards of Professional Conduct, Terms and Conditions, and self disclose any criminal, civil, self-regulatory organization, or governmental agency inquiry, investigation, or proceeding relating to their professional or business conduct.

## Item 3 Disciplinary Information

James F Chapman has no reportable disciplinary history.

## Item 4 Other Business Activities

### A. Investment-Related Activities



James F. Chapman is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of his time.

**B. Non Investment-Related Activities**

James F Chapman is a member of the Board of Directors of The Giving Heart Foundation. In this capacity, Mr. Chapman volunteers alongside other community leaders in an effort to further the non-profit organization’s mission.

James F Chapman is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of his time.

**Item 5 Additional Compensation**

James F Chapman does not receive any economic benefit from a non-advisory client for the provision of advisory services.

**Item 6 Supervision**

As the Chief Executive Officer, and Chief Investment Strategist of Clearwater Capital Partners, John E. Chapman has supervisory responsibilities for all aspects of the firm. Jeffrey P. DeHaan, Chief Compliance Officer, will be responsible for monitoring James F. Chapman’s compliance with all applicable policies, procedures and laws.

**Supervisor:** John E. Chapman  
**Title:** CEO, Chief Investment Strategist  
**Phone Number:** (847)841-8650

**Supervisor:** Jeffrey P. DeHaan  
**Title:** Chief Compliance Officer  
**Phone Number:** (847) 841-8650



**Part 2B of Form ADV: *Brochure Supplement***

**Joshua M Beachler  
Wealth Advisor**

2800 W. Higgins Road  
Suite 1025  
Hoffman Estates, IL 60169  
(847)841-8650

**Clearwater Capital Partners**

2800 W. Higgins Road  
Suite 1025  
Hoffman Estates, IL 60169

3/27/2024

This brochure supplement provides information about Joshua M. Beachler that supplements the Clearwater Capital Partners brochure. You should have received a copy of that brochure. Please contact Jeffrey P. DeHaan at 847-841-8650 if you did not receive Clearwater Capital Partners' brochure or if you have any questions about the contents of this supplement.

Additional information about Joshua M. Beachler is available on the SEC's website: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 Educational Background and Business Experience

**Full Legal Name:** Joshua M. Beachler

**Born:** 1993

### Education

- Taylor University; Bachelor of Science, Finance; 2016

### Business Experience

- Clearwater Capital Partners; Wealth Advisor; from 08/2019 to Present
- Bank of America/Merrill Lynch; Financial Advisor; from 8/2016 – 8/2019
- Guillaume & Freckman; Intern; from 6/2015 – 8/2015
- Westminster Christian School Business Office; Intern; from 6/2013 – 8/2013; 6/2014 – 8/2014

### Designations

Joshua M. Beachler has earned the following designation(s) and is in good standing with the granting authority:

- CERTIFIED FINANCIAL PLANNER™ (CFP®); Certified Financial Planner Board of Standards, Inc.; 2022

The program is administered by the Certified Financial Planner Board of Standards Inc. Those with the CFP® designation have demonstrated competency in all areas of finance related to financial planning. Candidates complete studies on over 100 topics, including stocks, bonds, taxes, insurance, retirement planning and estate planning. In addition to passing the CFP® certification exam, candidates must also complete qualifying work experience, agree to adhere to the CFP Board's code of ethics and professional responsibility and financial planning standards and complete 30 hours of continuing education every two years.

## Item 3 Disciplinary Information

Joshua M. Beachler has no reportable disciplinary history.

## Item 4 Other Business Activities

### A. Investment-Related Activities

Joshua M. Beachler is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of his time.

### B. Non Investment-Related Activities

Joshua M. Beachler is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of his or her time.

## Item 5 Additional Compensation

Joshua M. Beachler does not receive any economic benefit from a non-advisory client for the provision of advisory services.

## Item 6 Supervision

As the Chief Executive Officer, and Chief Investment Strategist of Clearwater Capital Partners, John E. Chapman has supervisory responsibilities for all aspects of the firm. Jeffrey P. DeHaan, Chief Compliance Officer, will be responsible for monitoring Mr. Beachler's compliance with all applicable policies, procedures and laws.

**Supervisor:** John E. Chapman  
**Title:** Chief Executive Officer, Chief Investment Strategist  
**Phone Number:** (847) 841-8650

**Supervisor:** Jeffrey P. DeHaan  
**Title:** Chief Compliance Officer  
**Phone Number:** (847) 841-8650



**Part 2B of Form ADV: *Brochure Supplement***

**Melissa J. Dailey-Newman  
Wealth Advisor**

2800 W. Higgins Road  
Suite 1025  
Hoffman Estates, IL 60169  
(847)841-8650

**Clearwater Capital Partners**

2800 W. Higgins Road  
Suite 1025  
Hoffman Estates, IL 60169

7/3/2024

This brochure supplement provides information about Melissa J. Dailey-Newman that supplements the Clearwater Capital Partners brochure. You should have received a copy of that brochure. Please contact Jeffrey P. DeHaan at 847-841-8650 if you did not receive Clearwater Capital Partners' brochure or if you have any questions about the contents of this supplement.

Additional information about Melissa J. Dailey-Newman is available on the SEC's website: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 Educational Background and Business Experience

**Full Legal Name:** Melissa J. Dailey-Newman

**Born:** 1974

### Education

- Emporia State University; Non-Degree Courses; 1995
- Johnson County Community; Non-Degree Courses, 1994

### Business Experience

- Clearwater Capital Partners; Wealth Advisor; from 09/2021 to Present
- Northwestern Mutual Wealth Management Company; Representative; from 03/2021 to 06/2021
- Northwestern Mutual Investment Services LLC; Registered Representative; from 10/2020 to 06/2021
- Strategic Wealth Partners; Director of Operations; from 07/2020 to 05/2021
- Lincoln Financial; Business Operations Manager; from 02/2015 to 07/2020

### Designations

Melissa J. Dailey-Newman has earned the following designation(s) and is in good standing with the granting authority:

- US Certified Divorce Financial Analyst (CDFA®); Institute for Divorce Financial Analysts; 2024

To receive authorization to use the designation of Certified Divorce Financial Analyst (CDFA™), a candidate must develop their theoretical and practical understanding and knowledge of the financial aspects of divorce by completing a comprehensive course of study approved by the Institute for Divorce Financial Analysts (IDFA™). CDFATM practitioners must pass a four-part Certification Examination that tests their understanding and knowledge of the financial aspects of divorce. In addition, the practitioner must demonstrate the practical application of this knowledge in the divorce process. CDFATM professionals must have two years minimum experience in a financial or legal capacity prior to earning the right to use the CDFATM certification mark. As a final step to certification, CDFATM practitioners agree to abide by a strict code of professional conduct known as the IDFA™ Code of Ethics and Professional Responsibility, which sets forth their ethical responsibilities to the public, clients, employers and other professionals. The IDFA™ may perform a background check during this process and each candidate for CDFATM certification must disclose any investigations or legal proceedings relating to his or her professional or business conduct. Once certified, CDFATM practitioners are required to maintain technical competence and fulfill ethical obligations. Every two years, they must complete a minimum of twenty (20) hours of continuing education, ten (10) of which are specifically related to the field of divorce. In addition, to the biennial continuing education requirement, all CDFATM practitioners must voluntarily disclose any public, civil, criminal or disciplinary actions that may have been taken against them during the past two years as part of the renewal process.

- Accredited Wealth Management AdvisorSM (AWMA®); College for Financial Planning; 2023

The College for Financial Planning® awards the Accredited Wealth Management

Advisor<sup>SM</sup> and AWMA<sup>®</sup> designation to individuals who successfully obtain advanced, yet practical knowledge about these critical aspects of the financial services industry: asset management, allocation, and selection; investment performance and strategies; and taxation of investment products. The coursework also includes training in investment for retirement, strategies for small business owners, and the management of deferred compensation plans. In addition, instruction will cover insurance, estate planning, asset protection, and tax reduction issues. Additionally, designees must comply with the Code of Ethics, which includes agreeing to abide by the Standards of Professional Conduct and Terms and Conditions.

Continued use of the AWMA<sup>®</sup> designation is subject to ongoing renewal requirements. Every two years individuals must renew their right to continue using the AWMA<sup>®</sup> designation by: completing 16 hours of continuing education; reaffirming to abide by the Standards of Professional Conduct, Terms and Conditions, and self disclose any criminal, civil, self-regulatory organization, or governmental agency inquiry, investigation, or proceeding relating to their professional or business conduct.

### **Item 3 Disciplinary Information**

Melissa J. Dailey-Newman has no reportable disciplinary history.

### **Item 4 Other Business Activities**

#### **A. Investment-Related Activities**

Melissa J. Dailey-Newman is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of her time.

#### **B. Non Investment-Related Activities**

Melissa J. Dailey-Newman is a member of Women in ETFs (WE). In this capacity, Mrs. Dailey-Newman volunteers alongside other industry leaders to further the non-profit organization's mission.

Melissa J. Dailey-Newman is a member of Women in Insurance and Financial Services (WIFS). In this capacity, Mrs. Dailey-Newman volunteers alongside other members to further the non-profit organization's mission.

Melissa J. Dailey-Newman is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of her time.

### **Item 5 Additional Compensation**

Melissa J. Dailey-Newman does not receive any economic benefit from a non-advisory client for the provision of advisory services.

### **Item 6 Supervision**

As the Chief Executive Officer, and Chief Investment Strategist of Clearwater Capital Partners, John E. Chapman has supervisory responsibilities for all aspects of the firm. Jeffrey P DeHaan, Chief Compliance Officer, will be responsible for monitoring Mrs. Dailey-Newman's compliance with all applicable policies, procedures and laws.

**Supervisor:** John E. Chapman  
**Title:** Chief Executive Officer, Chief Investment Strategist

**Phone Number:** (847) 841-8650

**Supervisor:** Jeffrey P. DeHaan

**Title:** Chief Compliance Officer

**Phone Number:** (847) 841-8650





**Part 2B of Form ADV: *Brochure Supplement***

**Kathleen M OConnor**

**Wealth Advisor - Senior Retirement Plan Specialist**

2800 W. Higgins Road  
Suite 1025  
Hoffman Estates, IL 60169  
(847)841-8650

**Clearwater Capital Partners**

2800 W. Higgins Road  
Suite 1025  
Hoffman Estates, IL 60169

3/27/2024

This brochure supplement provides information about Kathleen M OConnor that supplements the Clearwater Capital Partners brochure. You should have received a copy of that brochure. Please contact Jeffrey P. DeHaan at 847-841-8650 if you did not receive Clearwater Capital Partners' brochure or if you have any questions about the contents of this supplement.

Additional information about Kathleen M OConnor is available on the SEC's website: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 Educational Background and Business Experience

**Full Legal Name:** Kathleen M OConnor

**Born:** 1965

### Education

- University of Central Florida; BSBA, Finance; 1987

### Business Experience

- Clearwater Capital Partners; Wealth Advisor- Senior Retirement Plan Specialist; from 10/2023 to Present
- Merrill Lynch Wealth Management; Financial Advisor, Vice President; from 01/2020 to 10/2023
- LPL Financial dba HPL&S, First American Bank; Consultant, Supervisory Principal; from 09/2016 to 01/2020
- Plexus Financial Services; Senior Vice President, Client Services; from 09/2013 to 09/2016
- First American Bank; First Vice President, Qualified Retirement Plans; from 04/2002 to 09/2013
- Northern Trust; Consultant, Recordkeeping Relationship Group; from 01/2001 to 03/2002
- KMO Associates, Merrill Consulting; Principal; from 05/1998 to 01/2001
- Baker & McKenzie, Attorneys at Law; Retirement Savings Coordinator; from 09/1989 to 06/1997
- Chicago Title and Trust Company; 401(k) Administrator; from 06/1987 to 08/1989

### Designations

Kathleen M OConnor has earned the following designation(s) and is in good standing with the granting authority:

- Accredited Investment Fiduciary™ (AIF®); fi360.; 2015

Since October 2002, the Accredited Investment Fiduciary™ (AIF®) designation has been the mark of commitment to a standard of investment fiduciary excellence. Those who earn the AIF® designation have successfully completed a specialized program on investment fiduciary standards of care and subsequently passed a comprehensive examination. AIF® designees demonstrate a thorough understanding of fi360's Prudent Practices for investment advisors and stewards.

- Accredited Investment Fiduciary Analyst™ (AIFA®); fi360; 2016

In response to a need for professional training to perform fiduciary assessments, we introduced the Accredited Investment Fiduciary Analyst™(AIFA®) designation in May 2006. Holders of the AIFA® designation have successfully completed a specialized program on investment fiduciary standards of care and ISO assessment procedures, pass a comprehensive examination, and meet the designation's education and

professional experience prerequisites. The AIFA® designees hold the knowledge necessary to understand and implement a prudent process for Investment Stewards, Investment Advisors, and Investment Managers and can perform fiduciary assessments to verify or certify an entity's conformity to CEFEX's Global Fiduciary Standard of Excellence.

- Nonqualified Plan Advisor (NQPA™); National Association of Plan Advisors; 2019

The Nonqualified Plan Advisor credential is administered by the National Association of Plan Advisors. This credential is awarded to applicants who pass an exam covering the areas of nonqualified deferred compensation and nonqualified executive compensation plans. Advisors who earn their NQPA™ demonstrate the expertise required to advise employers on nonqualified plan design and plan financing and complete 10 hours of continuing education annually.

- Certified Plan Fiduciary Advisor (CPFA); National Association of Plan Advisors; 2020

The Certified Plan Fiduciary Advisor is administered by the National Association of Plan Advisors. This credential is awarded to applicants who pass an exam covering the areas of ERISA fiduciary roles and responsibilities, ERISA fiduciary oversight, ERISA plan investment management and ERISA plan management and complete 10 hours of continuing education annually.

- Certified Investment Management Analyst<sup>SM</sup> (CIMA; Investment Management Consultants Association; 2021

The CIMA certification signifies that an individual has met initial and ongoing experience, ethical, education, and examination requirements for investment management consulting, including advanced investment management theory and application. To earn CIMA certification, candidates must: submit an application, pass a background check and have an acceptable regulatory history; complete an in-person or online executive education program through a Registered Education Provider; pass an online Certification Examination; Pass a second background check; and have three years of financial services experience at the time of certification. CIMA certificants must adhere to Investments & Wealth Institute's Code of Professional Responsibility, and Rules and Guidelines for Use of the Marks. CIMA designees must report 40 hours of continuing education credits, including two ethics hours, every two years to maintain the certification.

### **Item 3 Disciplinary Information**

Kathleen M OConnor has no reportable disciplinary history.

### **Item 4 Other Business Activities**

#### **A. Investment-Related Activities**

Kathleen M OConnor is also engaged in the following investment-related activities:

**Insurance company or agency**

Kathleen M OConnor is a licensed insurance agent appointed with numerous insurance companies. In such a capacity she may offer insurance products and receive customary insurance commission as a result of insurance transactions related to these activities. This presents a conflict of interest to the extent that an insurance client purchases an insurance product recommended by Ms. O'Connor which results in an insurance commission being paid to Clearwater Capital Insurance Services, LLC. Ms. O'Connor spends less than five percent of her time functioning in an insurance capacity and does not receive insurance commissions related to her advisory client services.

**B. Non Investment-Related Activities**

Kathleen M OConnor is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of her time.

**Item 5 Additional Compensation**

Kathleen M OConnor does not receive any economic benefit from a non-advisory client for the provision of advisory services.

**Item 6 Supervision**

As the Chief Executive Officer, and Chief Investment Strategist of Clearwater Capital Partners, John E. Chapman has supervisory responsibilities for all aspects of the firm. Jeffrey P DeHaan, Chief Compliance Officer, will be responsible for monitoring Mrs. OConnor's compliance with all applicable policies, procedures and laws.

**Supervisor:** John E. Chapman  
**Title:** CEO, Chief Investment Strategist  
**Phone Number:** (847) 841-8650

**Supervisor:** Jeffrey P. DeHaan  
**Title:** Chief Compliance Officer  
**Phone Number:** (847) 841-8650



**Part 2B of Form ADV: *Brochure Supplement***

**Valerie N. Hogan  
Wealth Advisor**

2800 W. Higgins Road  
Suite 1025  
Hoffman Estates, IL 60169  
(847)841-8650

**Clearwater Capital Partners**

2800 W. Higgins Road  
Suite 1025  
Hoffman Estates, IL 60169

06/25/2024

This brochure supplement provides information about Valerie Hogan that supplements the Clearwater Capital Partners brochure. You should have received a copy of that brochure. Please contact Jeffrey P. DeHaan at 847-841-8650 if you did not receive Clearwater Capital Partners' brochure or if you have any questions about the contents of this supplement.

Additional information about Valerie Hogan is available on the SEC's website: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 Educational Background and Business Experience

**Full Legal Name:** Valerie N Hogan

**Born:** 1971

### Education

- Purdue Global Law School (former Concord Law School); JD; 2008
- Liberty University; BS, Biology; 1995

### Business Experience

- Clearwater Capital Partners; Wealth Advisor- Family Office Practice; from 06/2024 to present
- National Christian Foundation; Co-Managing Partner; from 04/2019 to 05/2024
- Orchard Ministry Development; Executive Director; from 07/2015 to 05/2024
- Gibbs & Associates; Legal Services Professional; from 10/2009 to 04/2019

### Designations

Valerie Hogan has earned the following designation(s) and is in good standing with the granting authority:

- CERTIFIED FINANACIAL PLANNER™ (CFP®); Certified Financial Planner Board of Standards, Inc.; 2016

The program is administered by the Certified Financial Planner Board of Standards Inc. Those with the CFP® designation have demonstrated competency in all areas of finance related to financial planning. Candidates complete studies on over 100 topics, including stocks, bonds, taxes, insurance, retirement planning and estate planning. In addition to passing the CFP® certification exam, candidates must also complete qualifying work experience, agree to adhere to the CFP Board's code of ethics and professional responsibility and financial planning standards and complete 30 hours of continuing education every two years.

- Registered Patent Attorney; United States Patent and Trademark Office; 2009
- Licensed Attorney; State Bar of California; 2008

## Item 3 Disciplinary Information

Valerie Hogan has no reportable disciplinary history.

## Item 4 Other Business Activities

### A. Investment-Related Activities

Valerie Hogan is not engaged in any other investment-related activities.

### B. Non Investment-Related Activities

Valerie Hogan is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of her time.

## **Item 5 Additional Compensation**

Valerie Hogan does not receive any economic benefit from a non-advisory client for the provision of advisory services.

## **Item 6 Supervision**

As the Chief Executive Officer, and Chief Investment Strategist of Clearwater Capital Partners, John E. Chapman has supervisory responsibilities for all aspects of the firm. Jeffrey P DeHaan, Chief Compliance Officer, will be responsible for monitoring Mrs. Hogan's compliance with all applicable policies, procedures and laws.

**Supervisor:** John E. Chapman  
**Title:** CEO, Chief Investment Strategist  
**Phone Number:** (847) 841-8650

**Supervisor:** Jeffrey P. DeHaan  
**Title:** Chief Compliance Officer  
**Phone Number:** (847) 841-8650



**Part 2B of Form ADV: *Brochure Supplement***

**Jacob M. Clark**  
**Wealth Advisor**

2800 W. Higgins Road  
Suite 1025  
Hoffman Estates, IL 60169  
(847) 841-8650

**Clearwater Capital Partners**

2800 W. Higgins Road  
Suite 1025  
Hoffman Estates, IL 60169

02/10/2025

This brochure supplement provides information about Valerie Hogan that supplements the Clearwater Capital Partners brochure. You should have received a copy of that brochure. Please contact Jeffrey P. DeHaan at 847-841-8650 if you did not receive Clearwater Capital Partners' brochure or if you have any questions about the contents of this supplement.

Additional information about Jacob Clark is available on the SEC's website: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).



## **Item 2 Educational Background and Business Experience**

**Full Legal Name:** Jacob M. Clark

**Born:** 1998

### **Education**

- Illinois State University; Bachelor of Science; Business Administration & Management; 2020

### **Business Experience**

- Clearwater Capital Partners; Wealth Advisor; from 01/2025 to present
- Clearwater Capital Partners; Operations Specialist; from 01/2022 to 01/2025
- Tesla, Inc.; Operations Specialist; from 11/2020 to 01/2022
- Federated Bank; Teller/Operations; from 03/2020 to 11/2020

### **Designations**

Jacob M. Clark has earned the following designation(s) and is in good standing with the granting authority:

- Accredited Wealth Management Advisor (AWMA®); College for Financial Planning; 2024

The College for Financial Planning® awards the Accredited Wealth Management Advisor and AWMA® designation to individuals who successfully obtain advanced, yet practical knowledge about these critical aspects of the financial services industry: asset management, allocation, and selection; investment performance and strategies; and taxation of investment products. The coursework also includes training in investment for retirement, strategies for small business owners, and the management of deferred compensation plans. In addition, instruction will cover insurance, estate planning, asset protection, and tax reduction issues. Additionally, designees must comply with the Code of Ethics, which includes agreeing to abide by the Standards of Professional Conduct and Terms and Conditions.

Continued use of the AWMA® designation is subject to ongoing renewal requirements. Every two years individuals must renew their right to continue using the AWMA® designation by: completing 16 hours of continuing education; reaffirming to abide by the Standards of Professional Conduct, Terms and Conditions, and self disclose any criminal, civil, self-regulatory organization, or governmental agency inquiry, investigation, or proceeding relating to their professional or business conduct.

## **Item 3 Disciplinary Information**

Jacob M. Clark has no reportable disciplinary history.

## **Item 4 Other Business Activities**

### **A. Investment-Related Activities**

Jacob M. Clark is not engaged in any other investment-related activities.

### **B. Non Investment-Related Activities**

Jacob M. Clark is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of her time.

**Item 5 Additional Compensation**

Jacob M. Clark does not receive any economic benefit from a non-advisory client for the provision of advisory services.

**Item 6 Supervision**

As the Chief Executive Officer, and Chief Investment Strategist of Clearwater Capital Partners, John E. Chapman has supervisory responsibilities for all aspects of the firm. Jeffrey P DeHaan, Chief Compliance Officer, will be responsible for monitoring Mrs. Hogan's compliance with all applicable policies, procedures and laws.

**Supervisor:** John E. Chapman  
**Title:** CEO, Chief Investment Strategist  
**Phone Number:** (847) 841-8650

**Supervisor:** Jeffrey P. DeHaan  
**Title:** Chief Compliance Officer  
**Phone Number:** (847) 841-8650



**Part 2A Appendix 1 of Form ADV: *Wrap Fee Program Brochure***

**Clearwater Capital Partners**

**Main Office:**

2800 W. Higgins Road  
Suite 1025  
Hoffman Estates, IL 60169

Telephone: 847-841-8650  
Email: [general@ccpwealth.com](mailto:general@ccpwealth.com)  
Web Address: [www.ccpwealth.com](http://www.ccpwealth.com)

**Clearwater Capital Partners Strategic Wealth Management Program**

03/27/2024

This brochure provides information about the qualifications and business practices of Clearwater Capital Partners. If you have any questions about the contents of this brochure, please contact us at 847-841-8650 or [general@ccpwealth.com](mailto:general@ccpwealth.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

Additional information about Clearwater Capital Partners also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. The firm's CRD number is 139886.

## Item 2 Material Changes

Consistent with SEC rules, Clearwater Capital Partners (CCP) seeks to ensure that client's receive a summary of any material changes to CCP's Disclosure Brochures, including this Form ADV Part 2A Appendix 1, within 120 days after the close of CCP's fiscal year. CCP may also provide clients with other disclosures at other times during the year in the event of any material changes to its business. Clients can then determine whether to review the brochure in its entirety or to contact CCP with questions about the changes.

The following is a summary of some of the new or revised disclosures based on information previously provided in the Firm Brochure dated 03/25/2023:

- Services, Fees and Compensation under Item 4 has been updated to reflect the following:
  - Alternative investments will generally be managed on a Non-Discretionary basis, due to their nature and subscription requirements.
  - The Tiered Fee schedule has been updated for Wrap Fee Program participants. This updated schedule will apply on new relationships starting 3/31/2024. The specific fee tier will be detailed in the contract between the firm and each client. The separate fee schedule for Thematic Exploration strategies has been removed.
  - Effective as of 3/31/2024, all new Wrap Fee Program participants will be subject to a minimum monthly fee of \$416.67 (\$5,000 annually). This monthly minimum fee is aggregated across the billing group and is applied on a pro-rata basis across accounts based on size. This minimum fee may cause you to determine the cost of our services to be cost prohibitive as it could cause you to pay a fee greater than 1.00% per annum, depending on the level of assets in your billing group.
- Financial Industry Affiliations under Item 9 have been update to include CCP's affiliation with the Bookkeeping and Bill Pay services offered through Clearwater Capital Accounting Services, LLC. There is no direct compensation for referral agreement in place, however the relationship between the two businesses creates a conflict of interest when CCP employees recommend these services.

**Item 3 Table of Contents**

**Page**

Item 1	Cover Page	1
Item 2	Material Changes	2
Item 3	Table of Contents	3
Item 4	Services, Fees & Compensation	4
Item 5	Account Requirements & Types of Clients	7
Item 6	Portfolio Manager Selection & Evaluation	8
Item 7	Client Information Provided to Portfolio Manager(s)	11
Item 8	Client Contact with Portfolio Manager(s)	11
Item 9	Additional Information	11

## Item 4 Services, Fees & Compensation

Clearwater Capital Advisors, LLC Doing Business As (DBA) Clearwater Capital Partners (CCP) is an SEC-registered investment adviser with its principal place of business located in Illinois. Clearwater Capital Partners began conducting business in 2006 as BSC Private Wealth Management, LLC.

CCP sponsors the Clearwater Capital Strategic Wealth Management Program (the "Program"), a wrap fee program. A wrap fee program is an advisory program under which a specified fee or fees not based directly on transactions in the client's account is charged for advisory services, which includes portfolio management and the execution of client transactions.

This Wrap Fee Program Brochure is limited to describing the services, fees, and other necessary information clients should consider prior to becoming a client within the Program. For a complete description of the other services offered by the firm and the fees charged for those services, clients should refer to the Form ADV Part 2: Firm Brochure.

You may obtain a copy of the Firm Brochure by contacting us at 847-841-8650 or [general@ccpwealth.com](mailto:general@ccpwealth.com).

CCP sponsors and acts as the sole investment manager to the Program. CCP manages assets for many different types of clients to help meet their financial goals while remaining sensitive to risk tolerance and time horizons. As a fiduciary it is CCP's duty to always act in the client's best interest. This is accomplished in part by knowing the client. The firm has established a service-oriented advisory practice with open lines of communication. Working with clients to understand their investment objectives, while educating them about CCP's process, facilitates the kind of working relationship CCP values.

### Services

CCP provides the Wrap Advisory Services based on each individual client's financial circumstances and investment objectives. CCP meets with each client to discuss the client's current financial condition and to review the client's current investment holdings. Based upon each client's circumstances, CCP determines an appropriate asset allocation for the client's investment portfolio in accordance with the client's specific financial objectives and risk tolerance and in consideration of other factors, including the client's time horizon (education funding, home purchase, retirement, legacy planning), liquidity needs, and in some cases other available resources (including external retirement plans, projected social security, outside investments, real estate, and insurance). Each client's financial objectives, risk tolerance, and liquidity needs, along with a recommended asset allocation, are incorporated into their ongoing investment strategy. CCP's wrap fee program allows clients to pay a single fee for investment advisory services and associated custodial transaction costs.

As described below, recommended custodians make other products and services available to CCP (see "Products and Services Available from the Custodian"). Consequently, CCP has an incentive to recommend that a client participate in CCP's wrap fee program and open account(s) with these custodians. CCP believes, however, that CCP's recommendation to the wrap fee program, including the use of an independent custodian and broker, is in the best interests of those of clients to whom CCP recommends it based on (a) an assessment of their investment objectives, financial situation, CCP's investment plans and anticipated trading activity in their accounts and all other relevant factors, and (b) the scope, quality, and price of the custodian's services and not based on the Custodian's payment for third party services that may not directly benefit the client.

CCP manages Program accounts on a primarily discretionary basis. Private Placement investments will generally be managed on a non-discretionary basis, due to their nature and subscription requirements. Continual account supervision is guided by the stated objectives of the client. CCP offers advice through the Program with respect to portfolios which may include any of the following securities:

- Exchange-listed securities
- Securities traded over-the-counter
- Foreign issuers
- Corporate debt securities (other than commercial paper)
- Certificates of deposit
- Municipal securities
- Variable annuities
- Mutual fund shares
- United States governmental securities
- Options contracts on securities
- Interests in partnerships investing in real estate

• Interests in partnerships investing in debt and/or equity, both public and private

• Interests in partnerships investing in oil and gas interest

CCP's investment recommendations are not limited to any specific product or service offered by a broker dealer or insurance company. Client portfolios primarily consist of exchange-traded funds ("ETFs"), mutual funds (no-load or load-waived), and/or closed-end funds ("CEFs"). However, client portfolios may include some individual stocks and fixed income securities, as well as other securities listed above.

### ***Thematic Exploration Strategies***

Select clients will be invited to participate in CCP Thematic Exploration Strategy portfolios. These portfolios will utilize similar investment vehicles as listed above but will generally be designed to provide direct exposure to specific investments in key thematic areas that CCP believes to have above average growth potential, but also with above average risk. Due to the high-risk nature of these strategies, including potential loss of principal, participation will be limited based on the client's stated investment objectives, tolerance for risk, liquidity and suitability.

CCP's clients are advised to promptly notify CCP in writing if there are ever any changes in their financial situation or investment objectives which may impact how his/her account should be managed or if they wish to impose any reasonable restrictions upon CCP's management services.

### **Fees and Compensation**

The annualized fee for the Program is charged as a percentage of aggregated assets under management, according to the following schedule:

#### **Tiered Fee Schedule**

<b><u>Assets Under Management</u></b>	<b><u>Marginal Annual Fee</u></b>
\$0 - \$2,000,000	1.000%
\$2,000,001 - \$5,000,000	0.750%
\$5,000,001 - \$10,000,000	0.550%
\$10,000,001 - \$25,000,000	0.350%
\$25,000,001 - \$50,000,000	0.300%
\$50,000,001 - \$100,000,000	0.250%
Above \$100,000,000	0.200%

As an example, a client with \$6,000,000 in aggregated Assets Under Management may be charged 1.00% on the first \$2,000,000 of Assets, 0.750% on the next \$3,000,000 of Assets, and 0.550% on the final \$1,000,000 of Assets.

For clients with accounts at Schwab, CCP fees are generally billed monthly, in advance, at the beginning of each calendar month based upon the value (market value or fair market value in the absence of market value), of the client's account at the end of the previous month. For clients with accounts at LPL, CCP fees are generally billed quarterly, in advance, at the beginning of each calendar quarter based upon the value (market value or fair market value in the absence of market value), of the client's account at the end of the previous quarter. Any accounts held at a custodian that is not one of CCP's recommended firms will be handled based on similar procedures based on that custodian's capabilities.

The client may make additions to and withdrawals from the account at any time, subject to CCP's right to terminate an account. If assets are deposited into an account the fee payable with respect to such assets will be prorated based on the number of days remaining in the billing cycle. Clients may withdraw account assets with notice to CCP, subject to the usual and customary securities settlement procedures. In the event of a distribution, CCP shall refund its unearned fee for that billing cycle based on the number of days remaining. However, CCP designs its portfolios as long-term investments and asset withdrawals may impair the achievement of the client's investment objectives. All fee adjustments due to flows will be made during the fee cycle following the flow(s).

For the initial billing period of investment management services, fees shall be calculated on a pro rata basis. The Agreement between CCP and the client will continue in effect until terminated by either party pursuant

to the terms of the Agreement. CCP's fee shall be prorated through the date of termination and any remaining balance shall be charged or refunded to the client, as appropriate, in a timely manner subject to the 30 day notice requirement.

Fees will be directly debited in advance from the account in accordance with the client authorization in the Client Services Agreement. The Custodian(s) recommended by CCP have agreed to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to CCP.

**Minimum Fee Requirement:** To ensure that CCP is best positioned to provide services at the level expected and required by its clients, the firm has instituted a minimum monthly fee of \$416.67 (\$5,000 annually) for all new relationships participating in the Wrap Fee Program entered into after March 31, 2024. The minimum fee will be based on total collected fees for the client billing group and will be applied across all accounts under management on a prorated basis. This minimum fee may cause you to determine the cost of our services to be cost prohibitive as it could cause you to pay a fee greater than 1.00% per annum, depending on the level of assets in your billing group.

## **General Fee Information**

**What services are covered by the Program fees?** The Program fees pay for the firm's advisory services to clients under the Program, the administrative expenses of the Program, and the trade execution charges for trades on the clients' assets custodied at the recommended Custodians.

**What services are not covered by the Program fees?** The Program fees do not cover brokerage fees to the extent trades are conducted through brokers or dealers other than the recommended Custodians (trade away fees) and custody charges where applicable. The Program fees do not include the expenses associated with mutual funds, ETFs, or CEFs (such as fund management fees charged to each fund's investors), mark-ups, mark-downs, spreads paid to market makers, and/or odd-lot differential fees. CCP does not retain any portion of these charges.

**Other Fees and Expenses.** Clients may incur charges from the Custodian for other account services provided not directly related to the execution and clearing of transactions, including, but not limited to, IRA custodial fees, safekeeping fees, wire transfer fees, interest charges on margin loans, exchange fees, and fees for transfers of securities. CCP does not retain any portion of these charges.

**Additional Information about Program Fees.** Under the Program, the participant receives investment advisory services, the execution of securities brokerage transactions, and reporting services for a single specified Program Fee. Clients are cautioned that depending on the level of fees charged by the executing broker-dealer, and the amount of portfolio activity in the clients' account, the value of the services provided under this Program may exceed the total cost of such services had they been provided separately. In addition, the Program Fee may be higher or lower than that charged by other sponsors of comparable wrap fee programs. Inasmuch as CCP will pay the execution costs of securities transactions executed in Program client accounts, a disincentive exists to enter trades on behalf of Program participants. Further, the Custodian charges different execution costs for different but similar securities. While CCP endeavors to always make investment decisions based on the needs of the client, it should be noted that an incentive exists to utilize lower execution cost funds.

**Negotiability of Fees.** Although CCP has established the aforementioned fee schedule(s), CCP retains the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs are considered in determining an alternative fee schedule. These include the complexity of the case, assets to be placed under management, anticipated future additional assets, related accounts, portfolio style, account composition, reports, among other factors. As such, fee levels and structure will vary between clients. CCP may group certain related client accounts for the purposes of achieving the minimum account size requirements and determining the annualized fee. Discounts, not generally available to CCP's advisory clients, may be offered to family members and friends of associated persons of the firm. The specific annual fee schedule is identified in the contract between the advisor and each client.

**Grandfathering of Fees.** A pre-existing advisory client may be subject to Clearwater's Program fees in effect at the time that client entered into the advisory relationship. Therefore, the firm's fees will differ among clients.

**Termination of the Advisory Relationship.** An Advisory client will have a period of five (5) business days from the date of signing the investment advisory agreement to unconditionally rescind the agreement and



receive a full refund of all fees. Thereafter, a client agreement may be canceled at any time, by either party, for any reason upon receipt of 30 days written notice. As disclosed above, certain fees are paid in advance of services provided. Upon termination of any account, any prepaid, unearned fees will be promptly refunded. In calculating a client's reimbursement of fees, CCP will pro rate the reimbursement according to the number of days remaining in the billing period subject to the 30 day notice requirement.

**Fund Fees.** All fees paid to Clearwater for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds, ETFs, and CEFs (each a "Fund" and, collectively, the "Funds") to their shareholders. These fees and expenses are described in each Fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution or marketing fee, known as a 12b-1 fee. These 12b-1 fees are considered an operational expense and, as such, are included in a fund's expense ratio. The firm does NOT receive any portion of these fees.

A client could invest in a Fund directly, without CCP's services. In that case, the client would not receive the services provided by the firm which are designed, among other things, to assist the client in determining which Fund or Funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the Funds and CCP's fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

**Advisory Fees in General.** Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for higher, similar, or lower fees.

**Limited Trade Aggregation.** Transactions for Program clients generally will be effected independently, unless CCP decides to purchase or sell the same securities for several Program clients at approximately the same time. CCP may (but is not obligated to) combine or batch such orders to improve transaction execution, to negotiate more favorable commission rates, or to allocate equitably among CCP's Program clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will generally be averaged as to price and allocated among CCP's clients pro rata to the purchase and sale orders placed for each client on any given day. To the extent that CCP determines to aggregate client orders for the purchase or sale of securities CCP shall generally do so in accordance with applicable rules promulgated under the Advisers Act and no-action guidance provided by the staff of the U.S. Securities and Exchange Commission. CCP shall not receive any additional compensation or remuneration as a result of the aggregation.

## Compensation

Please refer to Client Referrals under Item 9 below.

### **Item 5 Account Requirements & Types of Clients**

As previously disclosed above in Item 4, CCP has established an annual percentage based fee based on the nature of the services being provided. CCP, in its sole discretion, may adjust its annual fee based upon certain criteria including anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client, account retention, and pro bono activities. While Clearwater Capital does not require a minimum account size for the Program, clients should be aware that accounts with smaller values will typically, out of necessity, hold fewer positions in higher concentrations than other client accounts. As a result, these accounts may experience a greater degree of volatility.

CCP provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High net worth individuals
- Pension and profit sharing plans (other than plan participants)
- Charitable organizations
- Corporations and other businesses

## Item 6 Portfolio Manager Selection and Evaluation

### Selection of Portfolio Managers

The firm's investment adviser representatives ("IAR"s) act as portfolio manager(s) for this wrap fee program. CCP's IARs are subject to individual licensing requirements as imposed by relevant governing bodies. The firm is required to confirm or update each IAR's Form U4 on an annual basis. IAR supervision is conducted by CCP's Chief Compliance Officer or management personnel.

### Advisory Business

Information about CCP's wrap fee services can be found in Item 4 of this brochure. CCP offers individualized investment advice to Wrap Program clients.

Each participant in the program has the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio. Restrictions on investments in certain securities or types of securities may not be possible due to the level of difficulty this would entail in managing the account.

### Participation in Wrap Fee Programs

CCP offers wrap fee accounts to clients, which are managed on an individualized basis according to the client's investment objectives, financial goals, risk tolerance, etc.

### Performance-Based Fees

CCP does not charge performance-based fees for the services provided in the Program.

### Methods of Analysis

CCP may use one or any combination of the following methods of analysis in formulating investment advice and/or managing individual client assets:

**Fundamental Analysis.** CCP attempts to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell). Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

**Technical Analysis.** CCP analyzes past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement. Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

**Cyclical Analysis.** In this type of technical analysis, CCP measures the movements of a particular stock against the overall market in an attempt to predict the price movement of the security.

**Quantitative Analysis.** CCP uses mathematical models in an attempt to obtain more accurate measurements of a company's quantifiable data, such as the value of a share price or earnings per share, and predict changes to that data. A risk in using quantitative analysis is that the models used may be based on assumptions that prove to be incorrect.

**Qualitative Analysis.** CCP subjectively evaluates non-quantifiable factors such as quality of management, labor relations, and strength of research and development factors not readily subject to measurement, and predict changes to share price based on that data. A risk is using qualitative analysis is that CCP's subjective

judgment may prove incorrect.

**Mutual Fund and/or ETF Analysis.** CCP looks at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. CCP also looks at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in another fund(s) in the client's portfolio. CCP also monitors the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy. A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as CCP does not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the client's portfolio.

**Risks for all forms of analysis.** CCP's securities analysis methods rely on the assumption that the companies whose securities CCP purchases and sells, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While CCP is alert to indications that data may be incorrect, there is always a risk that the analysis may be compromised by inaccurate or misleading information.

## Investment Strategies

CCP may use one or any combination of the following strategy(ies) in managing client accounts, provided that such strategy(ies) are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

**Thematic Exploration Strategies.** CCP believes that the world has entered a new phase of development, with the speed of innovation and change materially increasing. While these innovations will meaningfully change the way people live their lives, they will also impact the future investment landscape. Thematic Exploration Strategies will utilize the strategies listed below in an effort to give participants direct exposure to investments that operate in a specific thematic space. These exposures will often involve direct investments in select companies that are early in their business cycle and, therefore, have the potential to produce outsized returns. However, they will also have the potential of failure. The concentrated nature of these strategies means that investors are taking on increased risk in an effort to participate in the potential upside as these investments progress into mainstream adoption. Given this higher risk profile, only select clients will be offered the chance to participate and with limits to the amount of their managed assets that can be invested.

**Asset Allocation.** Asset allocation is an investment strategy that aims to balance risk and reward by apportioning a portfolio's assets to various asset classes according to an individual's goals, risk tolerance, and investment horizon. Rather than focusing primarily on securities selection or market timing, CCP attempts to identify an appropriate ratio of available asset classes suitable to the client's circumstances. CCP regards asset allocation as one of the most important decisions an investor can make and as the principal determinant of portfolio performance. A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of asset classes will change over time due to stock and market movements and, if not corrected, may no longer be appropriate for the client's goals. Portfolio allocations will be monitored and rebalanced over time as determined by CCP.

**Long-term purchases.** CCP purchases securities with the idea of holding them in the client's account for a year or longer. Typically CCP will employ this strategy when:

- ✓ CCP believes the securities and/or asset classes to be currently undervalued, and/or
- ✓ CCP wants exposure to a particular asset class over time, regardless of the current projection for this class.

Long-term purchases, otherwise known as "buy-and-hold" strategies, represent the core of CCP's portfolio management philosophy. By definition, this strategy represents a passive investment strategy in which CCP holds various positions for a long period of time, regardless of short-term market fluctuations. For taxable accounts, a buy-and-hold strategy has certain tax benefits because gains from long-term investments tend to be taxed at a lower rate than those of short-term investments. A risk in a long-term purchase strategy is that

by holding the security for this length of time, CCP may not take advantage of short-term gains that could be profitable to a client. Moreover, if CCP's forecasts are incorrect or if the market experiences high volatility, a security may decline sharply in value before CCP makes the decision to sell.

**Portfolio rebalancing.** Portfolio rebalancing represents an important risk-control strategy. A portfolio's asset allocation determines the portfolio's risk and return characteristics. The purpose of establishing an asset allocation strategy is to achieve target rates of return with acceptable levels of risk. Asset allocation is a risk management technique that mixes a wide variety of investments within a portfolio (diversification). Due to market fluctuations, a portfolio's allocation will shift over time. To recapture the portfolio's original risk and return characteristics, the portfolio must be rebalanced according to the risk tolerance, time horizon, and financial goals of the individual client. CCP monitors client portfolios carefully and will determine when, or if, rebalancing activities may be necessary. Additional factors CCP will consider when implementing a rebalancing strategy include client preferences, and potential tax implications.

Given these considerations, clients with similar asset allocation strategies may experience different rebalancing strategies.

**Short-term purchases.** When utilizing this strategy, CCP purchases securities with the idea of selling them within a relatively short time (typically a year or less). CCP does this in an attempt to take advantage of conditions that CCP believes will soon result in a price swing in the securities purchased.

**Margin transactions.** For certain clients, CCP may purchase securities for the portfolio with money borrowed from the brokerage account. This allows clients to purchase more securities than they would be able to with their available cash, and allows CCP to purchase securities without selling other holdings. The use of margin involves leverage and special risks. Accordingly, the use of margin requires specific approval on an account-by-account basis. Most clients will not participate in margin related activities.

**Option writing.** For certain clients, CCP may use options as an investment strategy. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset.

The two types of options are calls and puts:

- ✓ A call gives holders the right to buy an asset at a certain price within a specific period of time. CCP will buy a call if we have determined that the stock will likely increase substantially before the option expires.
- ✓ A put gives the holder the right to sell an asset at a certain price within a specific period of time. CCP will buy a put if we have determined that the price of the stock will likely fall before the option expires.

CCP typically does not use options to speculate on the possibility of a sharp price swing. CCP may use options to "hedge" a purchase of the underlying security; in other words, CCP may use an option purchase to limit the potential downside of a security held in client portfolios.

CCP may use "covered calls", in which CCP sells an option on security clients own. In this strategy, clients receive a fee (option premium) for making the option available, and the person purchasing the option has the right to buy the security from the client at an agreed-upon price -for an agreed upon length of time.

CCP may use a "spreading strategy", in which CCP purchases two or more option contracts (for example, a call option that the client buys and a call option that the client sells) for the same underlying security. This effectively puts the client on both sides of the market, but with the ability to vary price, time and other factors.

The use of options involves leverage and special risks. Accordingly, the use of options requires specific approval on an account-by-account basis. Most clients will not participate in option trading activity.

**Alternative Investments.** Alternative investments, such as global REITs, Private Equity and Hedge Funds, may enhance overall diversification and provide limited protection from unexpected inflation. Alternative asset classes generally have risk and return characteristics that are a hybrid of equity and fixed income characteristics. The underlying funds recommended by CCP may, in turn, invest in a broad range of equities of any market capitalization, including large, mid and small-cap; and/or a broad range of fixed income securities of any credit quality or maturity, including U.S. Government and agency securities, municipal securities,

corporate debt, and debt of foreign issuers including those located in emerging markets. Underlying funds may also invest in real estate, real estate investment trusts (REITs), commodities-related assets, high yield debt securities, 144a (private placement) debt, and they may engage in leveraged or derivative transactions, such as futures, options, swaps, and insurance-linked securities. As such, alternative investments are generally less liquid than other investments and can be harder to value, therefore increasing their risk. CCP has no control over the investment strategies, policies or decisions of the underlying funds' investment managers. CCP's only option would be to liquidate its clients' investments in an underlying fund in the event of dissatisfaction with the fund's manager. In the event that CCP waives billing on an Alternative Investment due to pricing practices, a conflict of interest exists as CCP is incentivized not to recommend that product. Alternative Investments will generally be managed on a non-discretionary basis due to their nature and requirements.

## **Risk of Loss**

Securities investments are not guaranteed and clients may lose money on their investments. CCP asks that clients work with the firm to help us understand their tolerance for risk. Clients should understand that investing in any securities, including mutual funds and exchange traded funds, involves a risk of loss of both income and principal. Risk management disciplines such as asset allocation and portfolio rebalancing do not eliminate the risk of loss of both income and principal.

## **Voting Client Securities**

CCP does not accept the proxy authority to vote client securities. Clients will generally receive proxies or other solicitations directly from their custodian or a transfer agent. In certain circumstances a custodian may require that proxies and shareholder communications be sent to CCP. Clients should be aware the CCP will not take action on these communications. CCP will forward these communications to the client upon client request. Clients may call, write or email CCP to discuss questions they may have about particular proxy votes or other solicitations.

## **Item 7 Client Information Provided to Portfolio Manager(s)**

Individuals affiliated with the firm are responsible for developing an initial financial profile of the prospective client. Prior to opening an account, CCP assists in determining a participant's profile for the Program by obtaining from the participant appropriate information (i.e., investment objectives, risk tolerance, time horizon, and any reasonable restrictions the client wishes to impose upon the management of the account). Initial investment strategy is jointly determined based on an assessment of the information provided by the client. Please see the firm's Privacy Policy for more information on how the firm utilizes client information.

While CCP may provide the client with periodic reminders, it remains the client's responsibility to advise the firm of any changes to the information previously provided that might impact the ongoing suitability of any prior determined investment strategy(ies) and/or objectives. CCP will promptly communicate any reported changes to the client's portfolio manager.

## **Item 8 Client Contact with Portfolio Manager(s)**

CCP does not place any restrictions on a client's ability to contact and consult with their portfolio managers. All clients have direct access to the Clearwater professional(s) managing their account(s).

## **Item 9 Additional Information**

### **Disciplinary Information**

CCP is required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of its advisory business or the integrity of its management. CCP and its management personnel have no reportable disciplinary events to disclose.

## **Financial Industry Activities and Affiliations**

### ***Holding Company Affiliation***

Clearwater Capital Advisors, LLC (DBA Clearwater Capital Partners) is wholly owned by Clearwater Capital Partners, LLC, and Illinois based holding company. This holding company does not provide any services or

have any employees. It is owned as described under Item 4 of the firm's form ADV Part 2A.

### ***Bookkeeping and Bill Pay Affiliation***

Certain personnel of CCP are also personnel of Clearwater Capital Accounting Services, LLC (DBA Clearwater Capital Partners), where they provide personal bookkeeping and bill pay services for separate and typical compensation.

No CCP client is obligated to use Clearwater Capital Accounting Services, LLC for any services and, conversely, no client of Clearwater Capital Accounting Services, LLC is obligated to use the advisory services provided by us.

While there is no direct compensation for referral agreement in place, clients should be aware that this relationship creates a conflict of interest, and may affect the recommendations made. Clearwater Capital Accounting Services, LLC is wholly owned by Clearwater Capital Partners, LLC and does business as Clearwater Capital Partners.

### ***Business Consulting Firm Affiliation***

Certain personnel of the firm are also personnel of the consulting firm Clearwater Capital Consulting, LLC (DBA Clearwater Capital Partners), where they provide business consulting and accounting services for separate and typical compensation. These individuals will spend the majority of their time on this practice.

No CCP client is obligated to use Clearwater Capital Consulting, LLC for any services and, conversely, no business consulting client is obligated to use the advisory services provided by us.

While there is no direct compensation for referral agreement in place, clients should be aware that this relationship creates a conflict of interest, and may affect the recommendations made. Clearwater Capital Consulting, LLC is wholly owned by Clearwater Capital Partners, LLC and does business as Clearwater Capital Partners.

### ***Insurance Agency and Agent Affiliation***

Certain employees are also personnel of Clearwater Capital Insurance, LLC (Formerly known as BSC Insurance Services, LLC) an affiliated insurance agency. These management personnel and employees in their individual capacities are agents of Clearwater Capital Insurance, LLC and agents for various independent insurance companies. As such, these individuals are able to receive separate, yet customary commission compensation resulting from implementing product transactions on behalf of advisory clients. Clients, however, are not under any obligation to engage these individuals when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client. Clearwater Capital Insurance, LLC is wholly owned by Clearwater Capital Partners, LLC and does business as Clearwater Capital Partners. Clients should be aware that the receipt of additional compensation by CCP's management persons or employees creates a conflict of interest and gives these individuals an incentive to recommend insurance and investment products based on the compensation received, rather than on a client's needs. CCP endeavors at all times to put the interest of clients first as part of CCP's fiduciary duty as a registered investment adviser.

### ***Charitable Foundation Affiliation***

The Clearwater Capital Foundation, LLC is a charitable foundation primarily funded by the revenues of CCP and its employees. The foundation is a 501(c)(3) entity and is controlled by a Board of Directors made up of employees of CCP that is focused on supporting causes impacting our firm, team, clients and community. At no time shall any contribution to the Foundation by third parties result in favoritism, bias, special benefit or the like to the donor as it relates to services provided by CCP.

### ***Other Company Affiliations***

Alan Krause, Partner, is an employee of a privately held real estate company. Mr. Krause receives separate, yet customary compensation for his services. While CCP and employees endeavor at all times to put the interest of the clients first as part of CCP's fiduciary duty, clients should be aware that this relationship creates

a conflict of interest and may affect the recommendations made.

John Sleeting, Partner and Fixed Income Strategist, is a member of the board of directors of a privately held holding company. Mr. Sleeting receives separate, yet customary compensation for his services. Mr. Sleeting also provides investment advice to companies controlled by the holding company. While CCP and employees endeavor at all times to put the interest of the clients first as part of CCP's fiduciary duty, clients should be aware that this relationship creates a conflict of interest, and may affect the recommendations made.

### ***How CCP address all conflicts of interests***

CCP endeavors at all times to put the interest of its clients first as part of CCP's fiduciary duty as a registered investment adviser; CCP takes the following steps to address this conflict:

- ✓ CCP discloses to clients the existence of all material conflicts of interest, including the potential for the firm and its employees to earn compensation from advisory clients in addition to the firm's advisory fees;
- ✓ CCP discloses to clients that they are not obligated to purchase recommended investment products from firm employees or affiliated companies;
- ✓ CCP collects, maintains and documents accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance;
- ✓ The firm's management conducts periodic reviews of each client account to verify that all recommendations made to a client are suitable to the client's needs and circumstances;
- ✓ CCP requires that employees seek prior approval of any outside employment activity so that the firm may ensure that any conflicts of interests in such activities are properly addressed;
- ✓ CCP periodically monitors these outside employment activities to verify that any conflicts of interest continue to be properly addressed by the firm; and
- ✓ CCP educates its employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

### **Code of Ethics, Participation or Interest in Client Transactions & Personal Trading**

CCP has adopted a Code of Ethics which sets forth high ethical standards of business conduct that CCP requires of its employees, including compliance with applicable federal securities laws.

CCP and its personnel owe a duty of loyalty, fairness and good faith towards clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

CCP's Code of Ethics includes policies and procedures for the review of securities transactions reports as well as initial and annual account statements that must be submitted by the firm's access persons. Among other things, the Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. The code also provides for oversight, enforcement and recordkeeping provisions.

CCP's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While CCP does not believe that it has any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of CCP's Code of Ethics is available to advisory clients and prospective clients. You may request a copy by email sent to [general@ccpwealth.com](mailto:general@ccpwealth.com), or by calling us at 847-841-8650.

CCP and individuals associated with the firm are prohibited from engaging in principal transactions.

CCP and individuals associated with the firm are prohibited from engaging in agency cross transactions.

CCP's Code of Ethics is designed to assure that the personal securities transactions, activities and interests of employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

The firm and/or individuals associated with the firm may buy or sell for their personal accounts securities identical to or different from those recommended to clients, provided they follow the firm's written personal trading policies. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.

As these situations represent actual or potential conflicts of interest to clients, CCP has established the following policies and procedures for implementing the firm's Code of Ethics, to ensure the firm complies with its regulatory obligations and provides clients and potential clients with full and fair disclosure of such conflicts of interest:

- ✓ No principal or employee of the firm may put his or her own interest above the interest of an advisory client.
- ✓ No principal or employee of the firm may buy or sell securities for their personal portfolio(s) where their decision is a result of information received as a result of his or her employment unless the information is also available to the investing public.
- ✓ It is the expressed policy of CCP that no person employed by CCP may purchase or sell any reportable security 3 trading days prior to a transaction(s) being implemented for an advisory account and 3 trading days after, with the exception of ETF/ETN securities (the firm will monitor for planned same day trading conflicts regarding ETF/ETNs). This prevents such employees from inappropriately benefiting from transactions placed on behalf of advisory accounts. All such transactions for employee accounts must receive prior approval, and will be tracked to ensure the firm's policies are followed. Employee transactions that are included in block trades alongside clients will not be subject to the trade conflict reviews since average execution pricing will be used.
- ✓ The firm requires prior approval for any IPO or private placement investments by related persons of the firm.
- ✓ CCP maintains a list of all reportable securities holdings for the firm and anyone associated with this advisory practice that has access to advisory recommendations ("access person"). These holdings are reviewed on a regular basis by the firm's Chief Compliance Officer or his/her designee.
- ✓ CCP has established procedures for the maintenance of all required books and records.
- ✓ All of CCP's principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
- ✓ CCP requires delivery and acknowledgement of the Code of Ethics by each supervised person of the firm.
- ✓ CCP has established policies requiring the reporting of Code of Ethics violations to senior management.
- ✓ Any individual who violates any of the above restrictions may be subject to termination.

As disclosed in the preceding section of this Brochure, related persons of the firm are separately licensed as an insurance agent of various insurance companies. Please refer to Item 9 for a detailed explanation of these relationships and important conflict of interest disclosures.

## **Review of Accounts**

**REVIEWS:** While the underlying securities within the Program accounts are continually monitored, these accounts are reviewed periodically. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment. Automated position and/or security target tolerance reports may also be utilized to trigger a manual review.

Accounts are reviewed periodically by the advisor of record for each client relationship. At the time of these periodic reviews, the advisor of record may or may not direct that specific accounts be further reviewed by the John E. Chapman as the Chief Investment Strategist or by members of the firm's Investment Policy Committee.

Supervisory review of accounts are performed by John E. Chapman, or his delegate, on a periodic basis.

**REPORTS:** In addition to the monthly statements and confirmations of transactions that clients receive from their



broker-dealer, CCP periodically provides additional reports summarizing account performance, balances and holdings as part of the regular client review process.

## **Other Compensation**

In addition to compensating the firm for portfolio management, and other services to clients, the wrap fees clients' pay the firm also allows us to pay the Custodian for the brokerage services it provides to clients. The fees the firm pays the Custodian consist of fees that would otherwise be charged to clients. These fees may include (a) flat dollar per trade fees for the Custodian's prime brokerage, (b) transaction-based fees imposed on the Custodian by regulatory organizations and exchanges and fees to offset processing costs incurred by the Custodian for the exchange of securities for equity, options or other covered security sell transaction, and (c) short-term redemption fees on no-transaction-fee mutual funds.

## **Products & Services Available from the Custodian**

The Custodian provides the firm and clients with access to their institutional brokerage – trading, custody, reporting and related services – many of which are not typically available to retail customers. The Custodians also make available various support services. Some of those services help manage or administer client accounts while others help manage and grow the business. The Custodian's support services are generally available on an unsolicited basis (the firm does not have to request them) and at no charge. The availability to CCP of the Custodian's products and services is not based on CCP giving particular investment advice, such as buying particular securities for clients. These products and services, how they benefit the firm, and the related conflicts of interest are described in the Firm brochure (see Item 12 – Brokerage Practices). A summary description of the Custodian's support services follows:

### ***Services that Benefit Clients***

The Custodian's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The Custodian may also aid in the payment of fees associated with a custodial transfer. The investment products available through the Custodian include some to which the firm might not otherwise have access to or that would require a significantly higher minimum initial investment by firm clients. The Custodian's services described in this paragraph generally benefit clients and their accounts.

### ***Services that May Not Directly Benefit Clients***

The Custodian also makes available other products and services benefiting the firm but may not directly benefit clients or their accounts. These products and services assist in managing and administering client accounts. They include investment research, both the Custodian's and that of third parties. This research may be used to service all or some substantial number of client accounts, including accounts not maintained at the Custodian. In addition to investment research, the Custodian also makes available software and other technology that provides access to client account data (such as duplicate trade confirmations and account statements), facilitates trade execution and allocate aggregated trade orders for multiple client accounts, provides pricing and other market data, facilitates payment of fees from clients' accounts, and assists with back-office functions, recordkeeping and client reporting. In addition, the Custodian may make available, arrange and/or pay vendors for these types of services rendered to CCP by independent third parties. The Custodian may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to CCP.

### ***Services that Generally Benefit Only CCP***

The Custodian also offers other services intended to help manage and further develop CCP's business enterprise. These services include marketing, educational conferences and events, technology, compliance, legal, and business consulting, publications and conferences on practice management and business succession, and access to employee benefits providers, human capital consultants, and insurance providers. The Custodian may provide some of these services itself. In other cases the Custodian will arrange for third-party vendors to provide the services to the firm. The Custodian may also discount or waive fees for some of these services or pay all or a

part of a third party's fees. The Custodian may also provide the firm with other benefits such as occasional business entertainment for firm personnel.

Irrespective of direct or indirect benefits to clients through the Custodian, the firm strives to enhance the client experience, help clients reach their goals, and put client interests before that of the firm or associated persons.

### **Client Referrals**

Clearwater Capital Partners, as a matter policy and practice, may compensate persons, i.e., individuals or entities, for the referral of advisory clients to the firm provided appropriate disclosures and regulatory requirements are met.

### **Financial Information**

As an advisory firm that maintains discretionary authority for client accounts, CCP is required to disclose any financial condition that is reasonably likely to impair the firm's ability to meet the firm's contractual obligations. CCP has no additional financial circumstances to report. Under no circumstances does CCP require or solicit payment of fees in excess of \$1200 per client more than six months in advance of services rendered. Therefore, CCP is not required to include a financial statement. CCP has never been the subject of a bankruptcy petition at any time.