

Clearwater Advisors, LLC

Form ADV Part 2 Brochure  
Updated: February 28, 2017

101 S. Capitol Blvd, Suite 1201  
Boise, Idaho 83702  
Phone: 208.433.1222  
Fax: 208.278.1282

[www.clearwateradvisors.com](http://www.clearwateradvisors.com)

# Clearwater Advisors



This brochure provides information about the qualifications and business practices of Clearwater Advisors, LLC (Clearwater).

If you have any questions about the contents of this brochure, please contact Clearwater at 208-433-1222.

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.

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

## **Material Changes**

Matthew Peterson has joined the firm in the role of Business Development Representative. Clearwater Advisor's affiliated company Clearwater Securities has been closed. There have been no other material changes since the last amendment.

## Table of Contents

Material Changes .....	1
Table of Contents .....	2
Advisory Business .....	3
Fees and Compensation .....	4
Performance-Based Fees and Side-By-Side Management.....	4
Types of Clients .....	5
Methods of Analysis, Investment Strategies and Risk of Loss .....	5
Disciplinary Information.....	5
Other Financial Industry Activities and Affiliations.....	6
Code of Ethics, Participation or Interest in Client Transactions and Personal Trading .....	6
Brokerage Practices.....	6
Review of Accounts .....	7
Client Referrals and Other Compensation .....	7
Custody.....	7
Investment Discretion .....	7
Voting Client Securities .....	7
Financial Information .....	8
Brochure Supplement: Supervised Persons.....	9

## Advisory Business

### History

Clearwater was founded in 2001 by treasury and investment professionals focused on innovative fixed income investment management solutions. Members of the Clearwater portfolio management team have been managing institutional portfolios since 1995, with risk management careers dating back to the early 1980s. Throughout their careers Clearwater's principals have developed and used innovative technology solutions for portfolio management. Among the tools developed by the Clearwater team is Clearwater Analytics, a web-based portfolio reporting software designed to offer clients daily account transparency, including daily compliance, risk, accounting, and performance reports.

Sockeye Trading Company, Inc. is the majority owner of Clearwater. The beneficial owners of Sockeye Trading Company, Inc. are Michael Boren, Douglas Bates, and David Boren.

### Advisory Services

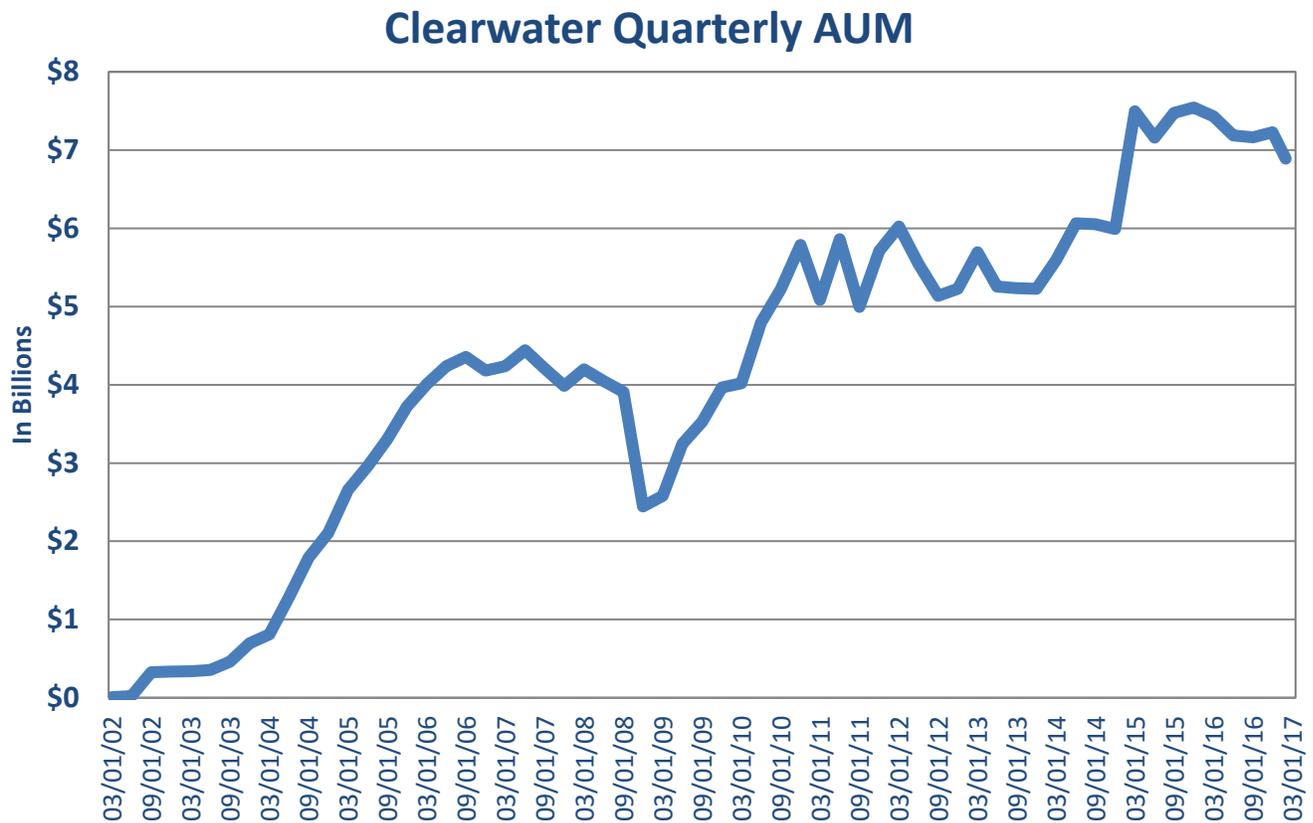
Clearwater specializes in fixed income investing for separately managed accounts. Clearwater's clients include corporate cash portfolios, state and local governments, insurance companies, endowments, foundations, trusts, family offices, credit unions and corporate pension plans. Clearwater constructs investment strategies that meet the client's portfolio risk and return objectives. The firm strives to maximize returns through time-tested investment management processes that include constant relative value analysis, careful security selection, and efficient trade execution.

Clearwater's goal is to help clients achieve their portfolio objectives while meeting portfolio liquidity requirements. Since each client has unique needs, the firm tailors each strategy to help clients accomplish their individual goals. While mandates vary by duration and need, the firm uses a top-down, relative value approach utilizing liquid products and focuses on identifying market opportunities within sectors, industries and credits. Clearwater is tenacious in its approach toward minimizing portfolio transaction costs and maximizing portfolio liquidity. The firm does not take large duration bets relative to the benchmark and believes Clearwater's relative value approach using liquid products and minimizing transaction costs best achieves clients' portfolio investment risk and return objectives. With the variety of clients and experience the firm holds collectively, Clearwater prides itself on the ability to listen and understand a client's particular needs and provide tailored investment options and solutions. Clearwater works diligently to enable open communication and become an extension of, and available resource to clients' treasury groups in all aspects of their investing — from investment policy discussion to implementation and specific security allowance and comprehensive reporting and monitoring.

Clearwater also participates in a wrap fee program that allows clients to select from a fixed income portfolio strategy including tax-advantaged municipal bonds or excluding tax-advantaged municipal bonds. Clearwater receives a portion of the wrap fee for its investment management services.

## Assets Under Management

Clearwater specializes in fixed income investing for separately managed accounts. As of February 28, 2017, Clearwater managed discretionary accounts only and had a total of \$ 6,888,919,027.55 in assets under management. The following chart shows the history of Clearwater’s assets under management for the past 15 years.



## Fees and Compensation

### Fees

Clearwater is compensated for its investment advisory services by receiving a fee based on a percentage of the fair market value of assets under management. Fees are negotiable based on the amount of assets under management, the nature of the client accounts, and client’s specific investment guidelines and objectives. Management fees typically range between 0.1% and 0.4% of assets under management. Clients will not be responsible to Clearwater for any other fees, including brokerage and other transaction costs. However, clients are responsible for separately arranging custody of their assets. Neither Clearwater nor its employees accept compensation for the sale of securities or other investment products.

### Invoicing

Fees are invoiced in arrears on a monthly or quarterly basis depending on the client. Most invoices are set with a payable date within 30 days of receipt of the day the client receives the invoice. Fees are not deducted from client’s accounts.

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

Clearwater does not use performance-based fees for any of its clients so there is no side-by-side management.

## Types of Clients

Clearwater's clients include:

- Corporate Cash Portfolios
- State and Local Governments
- Insurance Companies
- Endowments
- Foundations
- Trusts
- Family Offices
- Corporate Pension Plans
- Credit Unions

Clearwater assesses and accepts clients on a case-by-case basis, with no set minimum account size.

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

Clearwater's Investment Strategy Committee is responsible for the macro investment strategy decisions and includes the firm's principals, portfolio management and research staff. Specialized portfolio management and research staff make the individual credit and security selection decisions.

The experience and abilities of Clearwater's investment team span most securities traded in established markets. As a boutique investment manager, Clearwater works with most major broker-dealers that trade in its clients' investible universe.

Clearwater uses a top-down, relative value approach focused on identifying market opportunities within sectors, industries, and credits. The firm is keenly focused on minimizing portfolio turnover, minimizing portfolio transaction costs, and maximizing portfolio liquidity. Clearwater does not take large duration bets relative to the benchmark. Its methods of analysis, in order of priority, are as follows:

- 1) Economic analysis
- 2) Sector decision
- 3) Credit research
- 4) Yield Curve Analysis
- 5) Security selection
- 6) Trading
- 7) Best Execution

Clearwater uses proprietary risk management tools to screen and analyze potential investments. These tools also give advisors access to daily portfolio risk characteristics of relevance to Clearwater clients. The majority of credit research and modeling is done internally using sources including Fitch, Moody's, S&P, the Securities and Exchange Commission resources, news, and other publicly accessible research.

Each member of the portfolio management group is responsible for monitoring industry-relevant news and analysis, processing this news to develop viewpoints and insights, discussing it with the other portfolio managers, and delivering specifically-related information to the client. This delivery takes many forms ranging from phone calls and emails to more formal monthly market commentaries and issue-specific white papers. The more formal white papers and monthly updates are emailed to clients and made available on Clearwater's website.

### Risk of Loss

Every investment involves a material risk of loss to the client.

## Disciplinary Information

Neither Clearwater nor any of its employees have any disciplinary or legal events to disclose.

## Other Financial Industry Activities and Affiliations

Clearwater has a related firm, Clearwater Securities, LLC, which is currently in the application process to become a broker-dealer. When active, Clearwater Securities will market a money market fund portal. Clearwater does not anticipate any material conflicts of interest related to Clearwater Securities because Clearwater does not purchase money market funds for its clients and will not otherwise use Clearwater Securities as the broker in its clients' transactions.

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

### Code of Ethics and Personal Trading

Clearwater employees are required to indicate their acknowledgement and compliance with the Code of Ethics upon hire and on an annual basis. The firm's Code of Ethics outlines and discusses the following topics:

- Business and Accounting Principles
- Conflicts of Interest
- Personal Securities Holdings Disclosure Procedures
- Insider Trading
- Confidential Information
- Competition, Solicitation and Interference
- Payments to Governmental Officials or Employees
- Foreign Transactions and Payments
- Monitoring of Compliance
- Severability and Judicial Modification

The Code of Ethics requires employees to submit quarterly reports detailing their transactions in certain Reportable Securities, defined by the Code of Ethics. Additionally, the Compliance Department maintains a Restricted Trading List that includes the names of companies about which Clearwater has, or is likely to have, material and non-public information. Employees are required to request permission from the Compliance Department prior to purchasing or selling any Reportable Security listed on the Restricted Trading List. The Compliance Department reviews these reports for suspicious trading activity and compliance with the Restricted Trading List policy. Clearwater's Code of Ethics is available for review by its clients upon request.

### Conflicts of Interest

Clearwater endeavors to minimize potential conflicts of interest at all times. Clearwater does not recommend securities to clients or purchase or sell securities for client accounts in which Clearwater or any related companies have a material financial interest. Clearwater may from time to time invest funds of the company, affiliates, principals, or employees ("Proprietary Funds") in securities or investment strategies similar to those employed on behalf of clients. Proprietary Funds will not receive preference over client funds at any time. All transactions involving Proprietary Funds will be executed simultaneously or subsequent to similar transactions for clients. In the event of any potential conflict of interest, client accounts will receive preference over proprietary accounts. All proprietary trading is monitored by two or more principals or officers to ensure compliance with this policy.

## Brokerage Practices

Clients delegate authority to Clearwater to designate the broker-dealers who purchase and sell within Clearwater-managed accounts. Portfolio managers use their best judgment to use broker-dealers who offer the best combination of price, execution, and long-term liquidity. Portfolio managers do not use the firm or any affiliates as brokers to execute transactions for the accounts. Clearwater does not require directed brokerage and has never had a client direct brokerage for its accounts.

In seeking to obtain best execution of portfolio transactions for their accounts, Clearwater's portfolio managers consider all relevant factors, including the following:

- Price
- Broker-dealer's facilities
- Reliability and financial responsibility
- Ability of the broker to effect specific securities transactions

- Broker's or dealer's record keeping capabilities

Clearwater does not accept any additional services or benefits in exchange for its brokerage selection including client referrals.

## **Trade Aggregation**

At times, a portfolio manager may determine that it would be both desirable and suitable to purchase or sell a particular security for more than one of the portfolio manager's clients and there is a limited supply or demand for the security. Under such circumstance, Clearwater's policies allow the portfolio managers to aggregate or bunch orders on behalf of two or more clients ("Trade Aggregation"). Any Trade Aggregation is only permissible to achieve best execution and efficiency based on the commonality of the clients' investment objectives. If an order is only partially filled, it is generally allocated on a pro rata basis based on the original Trade Aggregation plan. If the portfolio manager determines in good faith that it is in the best interests of the clients to allocate the order in a way other than on a pro rata basis, the portfolio manager must make a written record of the reasoning behind the final allocation and notify the Compliance Department.

## **Review of Accounts**

### **Periodic Reviews with Portfolio Managers**

Nearly all accounts are reviewed internally by the portfolio management team on a daily basis. Accounts are formally reviewed with clients as appropriate to ensure that investments continue to be appropriate for clients' particular investment guidelines. A significant change in the markets or a particular security held by a client may trigger additional review of client portfolios with the clients. Clients may also request a review with the portfolio manager at any time.

### **Daily Online Reporting**

Clients have access to daily accounting, compliance, performance, and risk reports on a secure, password-protected website provided by Clearwater Analytics. Static monthly reports are also available on the website on the first business day following the end of each month.

## **Client Referrals and Other Compensation**

Clearwater does not receive any economic benefits from any non-client for providing investment advice or other advisory services to its clients.

Neither Clearwater, nor any related company, directly or indirectly compensates any person who is not an employee for client referrals.

## **Custody**

Clearwater does not have custody of client funds or securities and works with any custodian the client chooses.

## **Investment Discretion**

Clearwater has discretionary trading authority over clients' accounts subject to occasional restrictions imposed by clients on a case-by-case basis. Clearwater generally requires clients to provide an investment policy as the basis for creation and maintenance of its portfolio. Within the constraints of the client's investment policy, Clearwater's authority includes selecting the security types and amounts to be purchased or sold for a client's account, selecting the broker-dealers to be used for the purchase or sale of securities for a client's account, and selecting the commission rates to be paid to the broker-dealer for a client's securities transactions. However, unless otherwise authorized, Clearwater always obtains specific consent from clients before realizing a gain or loss in a client account. Before assuming discretionary authority over clients' accounts, Clearwater obtains an executed investment management agreement that includes language describing the discretionary authority.

## **Voting Client Securities**

Clearwater handles fixed income securities and therefore does not vote client securities.

## **Financial Information**

Clearwater is cash-flow positive and does not have any debt. Therefore, Clearwater does not have a current or reasonably likely financial condition that would impair its ability to meet contractual commitments to clients.

## **Brochure Supplement: Supervised Persons**

## **Michael Boren - Board of Directors**

### **Educational Background and Business Experience**

Mike co-founded Clearwater in 2001. He held the position of Chief Compliance Officer until 2007 and currently serves as Chief Executive Officer.

Mike's career in fixed income investment management, consulting, and analysis began in 1984 when he was appointed director of research at The Geldermann Group, a division of ConAgra. In 1986 Mike started an independent brokerage firm specializing in institutional brokerage of arbitrage and relative value transactions involving futures, spot and forward markets. In 1995, Mike and David Boren founded Sawtooth Investment Management, an investment advisor specializing in limited risk and relative value fixed income investment strategies. In 2003, he partnered to form Clearwater Analytics, an investment and accounting reporting software as a service company, where he serves as Chief Operating Officer. Throughout his career, Mike has focused on providing superior investment advice and innovative financial services to sophisticated institutional clients.

Mike holds a Bachelor of Arts in Economics from Brigham Young University.

Year of Birth: 1962

### **Disciplinary Information**

Mike has no legal or disciplinary events to disclose.

### **Other Business Activities**

None.

### **Additional Compensation**

Mike does not receive any economic benefits from any non-client for providing investment advice or other advisory services to Clearwater's clients.

### **Supervision**

Clearwater has a formal Compliance Program and Code of Ethics designed to prevent violations of government regulations and ethical principles. The Chief Compliance Officer oversees the enforcement of the Compliance Program and Code of Ethics through regular communication with employees as well as an annual audit. The Compliance Program includes provisions and guidance concerning fiduciary duties, conflicts of interest and portfolio management and trading practices.

Mike is supervised by Tim Dunn, Chief Compliance Officer. Tim may be reached by calling 208-433-1222.

## **David Boren – Board of Directors**

### **Educational Background and Business Experience**

Dave co-founded Clearwater in 2001 where he continues to serve as Chief Investment Officer.

Beginning in 1985, Dave led a distinguished ten-year career as a fixed income and derivatives trader with Goldman Sachs. During his tenure at Goldman, Dave organized derivative trading desks in New York and Tokyo, trading global fixed income securities, interest rate swaps, currencies, and cross market derivatives. In 1995, Dave co-founded Sawtooth Investment Management, a private investment company specializing in limited-risk, fixed income investment strategies. In 2003, he co-founded Clearwater Analytics, an investment and accounting reporting software as a service company where he serves as Chief Investment Officer. Dave brings a unique perspective on the use of technology to enhance performance, reporting, and risk management activities.

Dave holds a Bachelor of Arts in Economics from Brigham Young University and a Master of Business Administration from Harvard Business School.

Year of Birth: 1959

### **Disciplinary Information**

Dave has no legal or disciplinary events to disclose.

### **Other Business Activities**

None.

### **Additional Compensation**

Dave does not receive any economic benefits from any non-client for providing investment advice or other advisory services to Clearwater's clients.

### **Supervision**

Clearwater has a formal Compliance Program and Code of Ethics designed to prevent violations of government regulations and ethical principles. The Chief Compliance Officer oversees the enforcement of the Compliance Program and Code of Ethics through regular communication with employees as well as an annual audit. The Compliance Program includes provisions and guidance concerning fiduciary duties, conflicts of interest and portfolio management and trading practices.

Dave is supervised by Tim Dunn, Chief Compliance Officer. Tim may be reached by calling 208-433-1222.

## **Douglas Bates – Board of Directors**

### **Educational Background and Business Experience**

Doug co-founded Clearwater in 2001 where he held the position of Controller and now serves as Chief Financial Officer.

Doug's financial experience is grounded in his 16-year career with Goldman Sachs in institutional fixed income and derivative sales management. After five years at Goldman Sachs in New York, Doug was asked to establish the Goldman Sachs fixed income and derivatives sales operation on the west coast. The team was assembled to specialize in marketing derivative strategies to large institutional clients. Doug worked with Goldman's largest west coast clients to develop strategies for managing their global currency and interest rate exposures. He joined Sawtooth Investment Management in 1998 and partnered to form Clearwater Analytics in 2003, where he is currently Chief Financial Officer.

Doug holds a Bachelor of Arts in Accounting and a Master of Business Administration from Brigham Young University.

Year of Birth: 1957

### **Disciplinary Information**

Doug has no legal or disciplinary events to disclose.

### **Other Business Activities**

None.

### **Additional Compensation**

Doug does not receive any economic benefits from any non-client for providing investment advice or other advisory services to Clearwater's clients.

### **Supervision**

Clearwater has a formal Compliance Program and Code of Ethics designed to prevent violations of government regulations and ethical principles. The Chief Compliance Officer oversees the enforcement of the Compliance Program and Code of Ethics through regular communication with employees as well as an annual audit. The Compliance Program includes provisions and guidance concerning fiduciary duties, conflicts of interest and portfolio management and trading practices.

**Doug** is supervised by Tim Dunn, Chief Compliance Officer. Tim may be reached by calling 208-433-1222.

## **James Timothy Dunn – Chief Executive Officer**

### **Educational Background and Business Experience**

Tim joined Clearwater at its inception in 2001 and has since led the portfolio management group to create unparalleled operational efficiency and client focus.

Tim's career in the financial industry began in 2000, when he joined Sawtooth Investment Management before making the transition to Clearwater. Tim's portfolio trading and risk management experience is deep, ranging from equity hedge funds to fixed income specializing in cash management. Tim brings creative insight and operational efficiency to the management group through his hard science background.

Tim holds Bachelor of Science degrees in both Chemical Engineering and Physical Science from Brigham Young University.

Year of Birth: 1972

### **Disciplinary Information**

Tim has no legal or disciplinary events to disclose.

### **Other Business Activities**

None.

### **Additional Compensation**

Tim does not receive any economic benefits from any non-client for providing investment advice or other advisory services to Clearwater's clients.

### **Supervision**

Clearwater has a formal Compliance Program and Code of Ethics designed to prevent violations of government regulations and ethical principles. The Chief Compliance Officer oversees the enforcement of the Compliance Program and Code of Ethics through regular communication with employees as well as an annual audit. The Compliance Program includes provisions and guidance concerning fiduciary duties, conflicts of interest and portfolio management and trading practices.

Tim is supervised by the Clearwater Advisors Board of Directors.

## **Philip Bartlett - Portfolio Manager**

### **Educational Background and Business Experience**

Phil joined Clearwater in 2008 and as a Senior Portfolio Manager with oversight of Clearwater's credit analysis efforts.

Phil began his career in Prague working for the American Chamber of Commerce. From 1995 to 1999, Phil worked for two German banks in London, BHF Bank and Bankgesellschaft Berlin, as a desk credit analyst covering global emerging market banks and sovereigns. After taking time to pursue a Master's degree, in 2001, Phil joined GE Financial Assurance in Seattle as a credit analyst covering multiple investment grade sectors totaling \$5 billion in a \$60 billion portfolio. From 2002 to 2008, Phil worked as a State Investment Officer managing the multi-billion dollar short duration liquidity pool for the State of Alaska. Additionally, Phil assisted with the management of the credit sectors in the longer duration, total return pension portfolios totaling \$8 billion.

Phil holds a Bachelor of Arts in History and Political Science from the University of Richmond and a Master of Business Administration in Finance and Accounting from the University of Rochester's Simon School of Business.

Year of Birth: 1971

### **Disciplinary Information**

Phil has no legal or disciplinary events to disclose.

### **Other Business Activities**

None.

### **Additional Compensation**

Phil does not receive any economic benefits from any non-client for providing investment advice or other advisory services to Clearwater's clients.

### **Supervision**

Clearwater has a formal Compliance Program and Code of Ethics designed to prevent violations of government regulations and ethical principles. The Chief Compliance Officer oversees the enforcement of the Compliance Program and Code of Ethics through regular communication with employees as well as an annual audit. The Compliance Program includes provisions and guidance concerning fiduciary duties, conflicts of interest and portfolio management and trading practices.

Philip is supervised by Tim Dunn, Chief Compliance Officer. Tim may be reached by calling 208-433-1222.

## **Rhet Hulbert - Portfolio Manager**

### **Educational Background and Business Experience**

Rhet joined the portfolio management team in 2006 and has spent most of his time specializing in portfolios with durations less than one year.

Rhet's work with Clearwater began in 2003. He helped design, build and improve the Clearwater Analytics System, specializing in data quality and custom report building. Rhet brings a strong analytical and technical background to the portfolio management team which enables him to provide the team with operational efficiencies, including the development of proprietary portfolio management tools.

Rhet graduated Cum Laude and holds a Bachelor of Business Administration in Computer Information Systems from Boise State University.

Year of Birth: 1977

### **Disciplinary Information**

Rhet has no legal or disciplinary events to disclose.

### **Other Business Activities**

None.

### **Additional Compensation**

Rhet does not receive any economic benefits from any non-client for providing investment advice or other advisory services to Clearwater's clients.

### **Supervision**

Clearwater has a formal Compliance Program and Code of Ethics designed to prevent violations of government regulations and ethical principles. The Chief Compliance Officer oversees the enforcement of the Compliance Program and Code of Ethics through regular communication with employees as well as an annual audit. The Compliance Program includes provisions and guidance concerning fiduciary duties, conflicts of interest and portfolio management and trading practices.

**Rhet** is supervised by Tim Dunn, Chief Compliance Officer. Tim may be reached by calling 208-433-1222.

## **Don Streett – Trading**

### **Educational Background and Business Experience**

Don joined Clearwater in 2011 as a Credit Analyst

In 2007, Don began his career in the financial services industry working at Citigroup in an internal M&A group where he participated in the divestiture of Traveler's Insurance to MetLife. From 2007 to 2008, Don worked for Merrill Financial Associates, an investment management firm in Provo, UT. During 2009, Don worked at vSpring Capital, a venture capital firm in Salt Lake City where he consulted with one of the firm's top portfolio companies. From 2009 to 2011, Don worked for WTAS in Los Angeles in Valuation Services. As a Valuation Associate, he participated in a wide variety of valuation engagements for tax planning and financial statement reporting purposes.

Don holds a Bachelor of Science degree in Business Management with an emphasis in Corporate Finance from Brigham Young University.

Year of Birth: 1983

### **Disciplinary Information**

Don has no legal or disciplinary events to disclose.

### **Other Business Activities**

None.

### **Additional Compensation**

Don does not receive any economic benefits from any non-client for providing investment advice or other advisory services to Clearwater's clients.

### **Supervision**

Clearwater has a formal Compliance Program and Code of Ethics designed to prevent violations of government regulations and ethical principles. The Chief Compliance Officer oversees the enforcement of the Compliance Program and Code of Ethics through regular communication with employees as well as an annual audit. The Compliance Program includes provisions and guidance concerning fiduciary duties, conflicts of interest and portfolio management and trading practices.

Don is supervised by Tim Dunn, Chief Executive Officer. Tim may be reached by calling 208-433-1222.

## **Christopher Brechbuhler – Portfolio Manager**

### **Educational Background and Business Experience**

Chris joined Clearwater in 2011 as a Portfolio Manager.

Chris worked for Members Capital Advisors from 1999 through 2005 as an investment support and operations manager. Later he worked as a managed accounts analyst, where he was responsible for comprehensive investment management decisions for \$500 million in managed account products. In 2005, he joined Alaska Permanent Capital Management Company as a portfolio manager and senior investment analyst. Among other things, Chris provided portfolio management and analysis across a spectrum of investment guidelines and fixed income indices and was also responsible for credit decisions and relative value and securities trading within the corporate and commercial sectors.

Chris holds a Bachelor of Science in Business and Finance from Miami University and is a CFA Charterholder<sup>1</sup>.

Year of Birth: 1971

### **Disciplinary Information**

Chris has no legal or disciplinary events to disclose.

### **Other Business Activities**

None.

### **Additional Compensation**

Chris does not receive any economic benefits from any non-client for providing investment advice or other advisory services to Clearwater's clients.

### **Supervision**

Clearwater has a formal Compliance Program and Code of Ethics designed to prevent violations of government regulations and ethical principles. The Chief Compliance Officer oversees the enforcement of the Compliance Program and Code of Ethics through regular communication with employees as well as an annual audit. The Compliance Program includes provisions and guidance concerning fiduciary duties, conflicts of interest and portfolio management and trading practices.

Chris is supervised by Tim Dunn, Chief Executive Officer. Tim may be reached by calling 208-433-1222.

---

<sup>1</sup> CFA Charterholder Requirements: Four years qualified investment work experience, completion of the Chartered Financial Analyst (CFA) program, active membership in the CFA Institute, adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct on an annual basis, membership to a local CFA member society.

## **Richard Lin – Credit Analyst**

### **Educational Background and Business Experience**

Richard joined Clearwater in 2014 as a Credit Analyst.

Prior to joining Clearwater Advisors, he was a Manager with KPMG LLP working primarily on valuation, modeling, and regulation related to structured products. Prior to KPMG, he was a public finance consultant working with municipal bonds. Richard's expertise is in the valuation and analysis of fixed income issuers and securities.

Richard received an MBA from UCLA Anderson and a BA in Business Economics from UCLA and is a CFA Charterholder.

Year of Birth: 1982

### **Disciplinary Information**

Richard has no legal or disciplinary events to disclose.

### **Other Business Activities**

None.

### **Additional Compensation**

Richard does not receive any economic benefits from any non-client for providing investment advice or other advisory services to Clearwater's clients.

### **Supervision**

Clearwater has a formal Compliance Program and Code of Ethics designed to prevent violations of government regulations and ethical principles. The Chief Compliance Officer oversees the enforcement of the Compliance Program and Code of Ethics through regular communication with employees as well as an annual audit. The Compliance Program includes provisions and guidance concerning fiduciary duties, conflicts of interest and portfolio management and trading practices.

Richard is supervised by Tim Dunn, Chief Executive Officer. Tim may be reached by calling 208-433-1222.

## **Sean Tierney – Institutional Sales**

### **Educational Background and Business Experience**

Sean joined Clearwater in 2015 as an Institutional Salesperson.

Prior to joining Clearwater Advisors Sean worked at Morgan Stanley on their institutional short-to-medium-term sales desk and was soon promoted to their Securitized Products sales group. In 2011, he was recruited to MF Global in an effort to elevate their west coast presence. Sean then helped in the development of Sylvan Road Capital and its operating company Havenbrook Homes. While at Sylvan Road, he raised over \$600MM for the single family buy-to-rent strategy from top-tier asset managers and hedge funds.

Sean earned a BA in Economics and Business Administration from St. Mary's College of Moraga.

Year of Birth: 1978

### **Disciplinary Information**

Sean has no legal or disciplinary events to disclose.

### **Other Business Activities**

None.

### **Additional Compensation**

Sean does not receive any economic benefits from any non-client for providing investment advice or other advisory services to Clearwater's clients.

### **Supervision**

Clearwater has a formal Compliance Program and Code of Ethics designed to prevent violations of government regulations and ethical principles. The Chief Compliance Officer oversees the enforcement of the Compliance Program and Code of Ethics through regular communication with employees as well as an annual audit. The Compliance Program includes provisions and guidance concerning fiduciary duties, conflicts of interest and portfolio management and trading practices.

Sean is supervised by Tim Dunn, Chief Executive Officer. Tim may be reached by calling 208-433-1222..

## **Richard Wehrmann – Institutional Sales**

### **Educational Background and Business Experience**

Richard joined Clearwater in 2015 as an Institutional Salesperson.

Prior to joining Clearwater Advisors, he worked in the Trading & Liquidity Strategies group at BlackRock covering financial institutions and corporations. Earlier in his career he held sales and product management positions at Bankers Trust, Chase Manhattan Bank and Mellon Bank. He began his career at Dun & Bradstreet.

Richard earned a BS Foreign Service from Georgetown and a MBA from Boston College.

Year of Birth: 1954

### **Disciplinary Information**

Richard has no legal or disciplinary events to disclose.

### **Other Business Activities**

None.

### **Additional Compensation**

Richard does not receive any economic benefits from any non-client for providing investment advice or other advisory services to Clearwater's clients.

### **Supervision**

Clearwater has a formal Compliance Program and Code of Ethics designed to prevent violations of government regulations and ethical principles. The Chief Compliance Officer oversees the enforcement of the Compliance Program and Code of Ethics through regular communication with employees as well as an annual audit. The Compliance Program includes provisions and guidance concerning fiduciary duties, conflicts of interest and portfolio management and trading practices.

Richard is supervised by Tim Dunn, Chief Executive Officer. Tim may be reached by calling 208-433-1222.

## **Matthew Peterson – Business Development Representative**

### **Educational Background and Business Experience**

Matt joined Clearwater in 2017 as a Business Development Representative.

Prior to joining Clearwater Advisors, Matt worked in the Retirement Solutions group at Fidelity Investments where he researched and implemented investment strategies for existing and prospective clients. He also worked in the Investment Solutions group where he aided clients in researching mutual funds and other securities to meet their objectives. He began his career at Heritage Financial Group.

Matt earned a BS in Business Management from Utah Valley University and an MBA from Utah State University.

Year of Birth: 1983

### **Disciplinary Information**

Richard has no legal or disciplinary events to disclose.

### **Other Business Activities**

None.

### **Additional Compensation**

Matthew does not receive any economic benefits from any non-client for providing investment advice or other advisory services to Clearwater's clients.

### **Supervision**

Clearwater has a formal Compliance Program and Code of Ethics designed to prevent violations of government regulations and ethical principles. The Chief Compliance Officer oversees the enforcement of the Compliance Program and Code of Ethics through regular communication with employees as well as an annual audit. The Compliance Program includes provisions and guidance concerning fiduciary duties, conflicts of interest and portfolio management and trading practices.

Matthew is supervised by Tim Dunn, Chief Executive Officer. Tim may be reached by calling 208-433-1222.